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Further Reportage on Clinton Baltics Visit

Ulmanis Welcoming Speech

LD0607154094 Riga Radio Riga Network in Latvian 1232 GMT 6 Jul 94

[Speech by Latvian President Guntis Ulmanis at welcoming ceremony for U.S. President Bill Clinton at Freedom Monument, Riga—live]

[Text] In the name of the inhabitants of Latvia, Lithuania, Estonia, I welcome you, Mr. President, to Riga. [applause]

This day will go down in history, and in many [word indistinct], not only as a mark of honor, but also as your support for the freedom of Latvia, Estonia, and Lithuania and the independence of these countries. For your address you have chosen a suitable place: The symbol of the fatherland's freedom which rises over our heads is understandable to us all today, because freedom for small and large nations is equally sacred. This monument was not built for some particular hero, or some particular event. By the nation's collectively sacrificed funds it was hewn as a sign of honor and gratitude for our freedom, so as to be able to live, so as to be able to last, so as to be viewed confidently in the future.

The loss of the Baltic countries' independence as a result of the Molotov-Ribbentrop pact is a challenge to the community of nations, among whose full members then were Latvia, Lithuania, and Estonia. Mr. President, we are convinced, and our confidence is strengthened by this moment, that we are together with you, that never, never, again will that be repeated. We hope and expect that during the next month the last foreign troops will depart from Estonia and Latvia, whom we have never [applause], whom we have never invited here, and whose presence is to be regarded as an expression of the fact of occupation. [applause]

Here to this monument have been brought the most beautiful flowers, to the memory of the nation's unimaginably great sacrifice, to the memory of all those unfortunate ones whose lives were ground down by foreign powers. The Latvian people, whose ancestors lived 4,000 years ago by the Baltic Sea, is one of the few European nations who, as a result of genocide, have become much less numerous than they were at the beginning of the century. A similar situation applies today to Estonia and Lithuania.

The aims of the Baltic countries are clear: our road leads to democracy and a free market economy. To return today to the community of independent nations is a difficult and complex task. Due to lack of experience, we are unable to exploit all the opportunities, and not uncommonly we make mistakes today. Moreover in the restoration of independence, in the work of creating a democratic state, (?power is taken from us not least by) slander and hostile propaganda. It is possible that at such moments we ought always to remember what we learned in school: Violence will never become a rightful argument; even behind such masks it is undisguised.

Mr. President, the peoples of Latvia, Lithuania, and Estonia today express to you their gratitude for the United States of America's unflinching support for and loyalty to the Baltic countries. We will continue to rely, as we have done hitherto, on the democratic traditions of America and the love of freedom that is characteristic of your people. We are convinced that the Baltic countries are stamped for ever on the American map. We really believe that both your children and ours will have a place in a world that we must all together make more just and better. We do not doubt, Mr. President, that this journey will do for you and the American people the (?honor of the Baltic countries).

I hope that America will never forget what happened to us in Europe in the mid-twentieth century. The sufferings and sacrifices of nations must not be in vain. They must be preserved by the lessons of history. They are engraved in this monument, too, which calls us to create a better future, holding the stars high up over everyone. God bless Latvia! God bless Lithuania and Estonia! God bless America! [applause].

Joint News Conference Held

LD0607125894 Tallinn Radio Tallinn Network in Estonian 1200 GMT 6 Jul 94

[Indrek Treufeldt report from Riga]

[Excerpt] [Passage omitted] The joint news conference of Bill Clinton and the Baltic states' presidents has now ended. President Bill Clinton emphasized at the conference that he will be leaving the Baltic states convinced that reforms here will continue. Clinton also provided clarification about the telephone call he had with [Russian President] Boris Yeltsin [on 5 July]. Bill Clinton emphasized that he wishes to view the issues of both the [Russian] troop withdrawal and human rights separately. However, the issue of the minorities does exist.

Estonian President Lennart Meri also spoke, outside the news conference, so to speak. He stated that the issues to do with the foreign troops in the Baltic states amount to an issue for the whole of Europe.

At his meeting with the Baltic states presidents, Bill Clinton announced that he is going to present a bill to the U.S. Congress on $10 million aid to peacekeeping forces in Central and Eastern Europe, including the Baltic peacekeeping battalion. The Baltic states will gain an impetus through material and technical assistance toward coming closer to NATO; then it will become possible to run joint exercises, with the participation of US, NATO and Baltic states' peacekeepers. This was noted by the White House press representative. [passage omitted]

Ulmanis Makes Statement

LD0607135694 Riga Radio Riga Network in Latvian 1043 GMT 6 Jul 94

[Statement by Latvian President Guntis Ulmanis at news briefing in Riga given jointly with U.S. President Bill Clinton—live]

[Text] To all those who are listening to this, I would like to say again welcome to Latvia to the President of the United States of America and his wife, to the president of Lithuania, and to the president of Estonia. I believe that this is an historic day which is one more step in the reinforcement of Baltic independence. In this context I would like to announce that the presidents of the three Baltic countries have just signed a joint statement which reflects the course of today's talks and points to the main problematic issues which either disturb or stimulate the reinforcement of Baltic independence and economic development.

I fully concur with what President Clinton said about the viewpoints, the measures, and the proposals which we agreed on among ourselves, and I would like to emphasize a perhaps small group of issues which we discussed in somewhat more detail. The presidents of the three Baltic countries put forward as one of the basic issues the question of the security of the Baltic region. The main question within this security issue is activity within the framework of the Partnership for Peace program, the successful promotion of this activity, not only on our part but also on the part of the other European countries and the United States, and clarification of demands made against the Partnership participants—what is their responsibility, and what are the obligations on other members of the Partnership.

I think that today we may note with confidence that we put forward the question of the Partnership for Peace as being only one phase on the way to strengthening national security, and that of the Baltic region, whose main purpose, after all, is to guarantee that national security through full involvement in the NATO structures.

We touched on another group of issues concerning economic development. Of course it is clear that we all want, and are convinced of, the withdrawal by Russia of its troops by 31 August, and we see no reasons why they would not do so, but also no reason why it would not have to be done. And the next issue is the economic question, the development of economic problems in the Baltic countries. One of the main ones here was the question of the development of power engineering. In order to be able finally and irrevocably to speak of the independence of the Baltic countries, economic dependence directly on the east must be solved. There was talk of gas, petroleum, of fuel, and so on and so forth. We touched on social issues, and we especially touched on educational issues. There was talk of how to stimulate young people in the Baltic countries to gain education not only in their homelands but also to give them the opportunity to go to the United States and other countries and, as we laughed at it, the number that currently are trained in those countries is far too small for the three Baltic countries to reap the fruits of this education in the near future.

Undoubtedly the question of (?crime) and the internal security of the Baltic countries is an issue supported by all four countries' presidents, and I understand that here the U.S. President gave us quite great grounds for thinking that the United States will in these processes commit itself to practical activity and to disseminating its experience in eliminating and reducing the (?criminal) situation.

Speaking of security, we touched on the issues of the army, the question of arms, and how we hope there may be future opportunities for us to create sufficiently normal mobile defense units which would be able, one way or another, to ensure the security of the Baltic countries.

Perhaps one of the central issues today was our relations with Russia, and we did touch on those issues of how the troops are being withdrawn, what sort of future activity our monitoring system will involve at the Skrunda radar station, what could be the possible issues for the Kaliningrad region, and so on and so forth. And it is clear, speaking of relations with Russia, that all four presidents unanimously concluded that these relations must be normal interstate relations in which all countries' rights and obligations are respected and observed.

Again I would like to express my respect and gratitude to the President of the United States of America, who found an opportunity to visit the Baltic countries, found the opportunity to talk to the presidents of the Baltic countries and broadly expound his views, which allows for further evaluation of the future destiny of the Baltic countries. Thank you for your attention.

Clinton, Meri Answer Questions

LD0607140494

[Editorial Report] Riga Radio Riga Network in Latvian at 1037 GMT broadcasts a relay of the news conference by President Clinton and Latvia's President Ulmanis, along with the other Baltic presidents, in Riga's Hall of Ambassadors, as noted in second referent item.

At 1049 GMT President Clinton and Estonia's President Meri answer questions from the assembled media. President Clinton is asked the majority of questions. The questions to President Clinton and their answers, which are given in English with simultaneous Latvian translation, deal with, among other things, the significance of his telephone call to President Yeltsin prior to this visit; President Clinton says it was to remind Yeltsin to remove his troops. President Clinton is asked for his assessment of the political situation in Russia. He replies that it should be regulated by international efforts such

as the Partnership for Peace. He is then asked about his policy on Haiti. He says he believes it will lead to positive results.

On his attitude to President Yeltsin linking the troop withdrawal to Russian-speaking residents, President Clinton says he believes they are not to be linked. On the treatment of minorities, President Clinton says it will be settled in time, after all the troops have left.

To a question from Latvian Television on the Baltic countries' role in the post-communist Europe and his motives for coming here, President Clinton says it involves the Partnership for Peace, and the Baltic countries' economic achievements and stability. On his motive for visiting, President Clinton says it is the importance of these countries to the United States, where many people of Baltic origin live, and to see for himself the life and achievements of the Baltic lands.

In response to a question on the G7 meeting in Naples, President Clinton states what he hopes to achieve there. At this point the questions to President Clinton end.

President Meri is then asked: Are you as confident as President Clinton that Russia will withdraw its troops from Estonia by 31 August?

President Meri responds, in English, with simultaneous Latvian translation: "Well, let's say here why 31 August is so important, not only for Estonians and Latvians, but also for Russia itself. It is a highly symbolic date. I think it is the last remnant of World War II in Europe to be settled. Europe is in a new era, where we will be in a position to create a security system which will be open, a free trade system which will be open, and primarily, of course, a democratic society. That is the meaning of 31 August. It is the first day on which a new Europe will be created, or else it will be an example of how we still have problems that have to be solved—and they are not only Baltic problems, they are Europe's problems, they are also global problems."

At 1100 GMT the news conference and the relay ends.

Joint Statement Issued

LD0607150794 Tallinn Radio Tallinn Network in Estonian 1400 GMT 6 Jul 94

[Text] During the meeting with U.S. President Bill Clinton in Riga today, Estonian President Lennart Meri, Latvian President Guntis Ulmanis, and Lithuanian President Algirdas Brazauskas issued a joint statement which says that the Estonian, Latvian, and Lithuanian presidents warmly welcome U.S. President Bill Clinton's visit to Latvia. This historic event, the first ever visit to the Baltic states by a U.S. President, confirms the special relations between the Baltic states and the United States. [passage indistinct]

The Estonian, Latvian, and Lithuanian presidents expressed their satisfaction with the current state of relations with the United States and their firm conviction that this visit will encourage the development of these relations. The presidents noted that the meeting provided them with a feeling of certainty that the United States will continue to be a loyal friend of the Baltic states at a time when they continue to build a society based on the ideals of democracy and hopes for economic prosperity, which underlines the U.S. role in the world.

'Text' of Joint Statement

WS0707081094 Tallinn BNS in English 1521 GMT 6 Jul 94

[Text] Riga, July 06, BNS—The Presidents of Latvia, Estonia and Lithuania adopted Wednesday a statement on their meeting with the President of the United States, William J. Clinton.

The following is the full text of the statement: "We, the Presidents of Estonia, Latvia and Lithuania, warmly welcome the visit of the President of the United States of America William J. Clinton to Latvia. This historic occasion, the first visit ever by an American President to the Baltic states, reaffirms the special relationship between the Baltic states and the United States of America. During the Soviet occupation of Estonia, Latvia and Lithuania the United States' policy of refusing to recognize the incorporation of Estonia, Latvia and Lithuania into the Soviet Union provided a source of hope for the Baltic people. This visit is the best testimony that the United States supports the independence of the Baltic states and recognizes the significant steps the three Baltic states have made in democratic and economic reforms.

"During the meeting the Presidents devoted considerable attention to issues of security and stability in the Baltic region. The four leaders discussed ways of strengthening regional security and stability and reaffirmed their commitment to NATO's Partnership for Peace [PFP] program. The Presidents of Estonia, Latvia and Lithuania expressed the wish to broaden and deepen cooperation within the framework of PFP in order to eventually be part of NATO, and stated their conviction that this would promote stability and confidence in Europe. The Presidents assured President Clinton that they will continue to work together with their neighbors toward a better undivided Europe that is based in mutual respect and goodwill.

"The Presidents welcomed the agreement concluded between Latvia and Russia on Russian troop withdrawal. The Presidents stressed the importance of August 31, 1994 as the final date for Russian troops to leave Estonia and Latvia and stated their conviction that the Russian Federation will follow through its obligation assumed in Helsinki in 1992 for a complete, unconditional and orderly withdrawal. The Presidents of the Baltic states pointed out that the Kaliningrad district as part of the Russian Federation should not become the

source of tension in the region. The issue of the functioning of the region should be settled in peaceful and businesslike way without any pressure of any state concerned.

"The Presidents of the Baltic states welcomed the increased investment flows of U.S. private capital into various sectors of the economies of the Baltic states as well as more intensive trade relations with the U.S. The Presidents are convinced that the Baltic Enterprise Fund established by the United States will contribute to further development of the private sector of the Baltic states. The Presidents reiterated their support for the continuation of Estonian, Latvian and Lithuanian language programs by both Radio Free Europe and the Voice of America, these broadcasts being as integral part of the continuing development of their countries' democratic institutions.

"The Presidents of Estonia, Latvia and Lithuania expressed their satisfaction with the present state of relations with the United states and their strong belief that this visit will further the development of those relations. The Presidents noted that this meeting gave them confidence that the U.S. will remain a faithful friend of the Baltic states as they continue to build societies based on the ideals of democracy and hopes of prosperity that underlines America's place in the world."

Statement Notes NATO Membership

LD0607165394 Riga Radio Riga Network in Latvian 1600 GMT 6 Jul 94

[Text] The joint statement by the presidents of Latvia, Lithuania, and Estonia, which was disclosed to U.S. President Bill Clinton today, emphasized that Estonia, Latvia, and Lithuania wish to increase their participation in the Partnership for Peace program, with the long-term possibility of becoming members of NATO. The Baltic presidents testified to President Clinton that they will continue to collaborate to jointly create a united Europe, based on mutual respect and goodwill. The presidents welcomed the treaties concluded between Latvia and Russia on the withdrawal of the Russian army, and acknowledged the significance of 31 August as the day when Russian troops must leave Estonia and Latvia. The presidents also expressed the hope that the Russian Federation will observe the agreement reached in Helsinki in 1992 on the total, unconditional, and speedy withdrawal of the troops.

Brazauskas Cited on Visit

LD0707111094 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 7 Jul 94

[Text] The visit was friendly, warm, and very kindhearted. This is how the meeting in Riga between the presidents of the three Baltic states with U.S. President Bill Clinton was described by Lithuanian President Algirdas Brazauskas at a news conference today.

The Lithuanian president told journalists that the very fact that the U.S. President visited a Baltic country and the personal contacts made with U.S. President Clinton opened new possibilities for cooperation and created a much needed environment for partnership between (?departments) and private organizations.

Algirdas Brazauskas told journalists that while talking about the security of the country he said that the guarantee for it is economic independence and economic self-sufficiency. He said he also stressed the importance of oil, gas, and nuclear fuel supplies.

Algirdas Brazauskas said that before his departure Bill Clinton said he had taken notice of our problems in power engineering.

The Lithuanian president told the news conference that during the talks with Bill Clinton and Warren Christopher he affirmed his stand on the issue of transit through the territory of Lithuanian from the Kaliningrad region. According to Algirdas Brazauskas, the U.S. President understands our position.

Cooperation between Central Europe, the Visegrad countries, and the Baltic states were also touched on during the talks with the U.S. President.

Clinton Offers $50 Million To Encourage Private Businesses

LD0607121994 Tallinn Radio Tallinn Network in Estonian 1100 GMT 6 Jul 94

[Excerpt] U.S. President Bill Clinton, who arrived in Riga this morning, had a meeting with the three Baltic presidents just a while ago. Clinton told them that the United States supports the Baltic countries' reform policies and independence. Clinton also repeated that Russia must withdraw its troops from Latvia and Estonia.

Bill Clinton announced that a Baltic-U.S. fund of $50 million is to be set up. The money from the fund will be directed toward furthering private businesses in the Baltic states. [passage omitted]

Azerbaijanis Petition Clinton, Say Russia Fueling Conflict

WS0607141594 Tallinn BNS in English 1350 GMT 6 Jul 94

[Text] Tallinn, Jul 06, BNS—U.S. President Bill Clinton's visit to Riga today has drawn the interest of other nations besides Estonians, Latvians and Lithuanians. A society of Azerbaijanis living in Estonia availed themselves of the opportunity to draw the attention of the President to the problems that beset this war-torn Caucasian state.

Farhad Heidarly [name as received], the chairman of the Estonia-Azerbaijan Society and the official representative of his country in Estonia, today handed over a

petition to Clinton. The petition points out that Azerbaijan, which has for five years been at war with the neighboring Armenia, is on the brink of a social explosion. "As a result of the aggression, Azerbaijan has lost 20 percent of its territory, more than 20,000 people have lost their lives, and over one million people have been forced to leave their homes," the statement said.

The Estonia-Azerbaijan Society emphasized that the conflict is aided and abetted by Russia whose goal is to gain political, economic and military control in the Caucasian region. Russia is also steadily striving to bring its forces into Azerbaijan, the statement charged.

The society petitioned the U.S. President to "employ his personal authority and the authority of his country to prevent the stationing of Russian troops in Azerbaijan" and to help make humanitarian aid available to Azerbaijan's war refugees.

ITAR-TASS Carries Press Review for 7 Jul

LD0707062294 Moscow ITAR-TASS in English 0432 GMT 7 Jul 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 7 TASS—ROSSIYSKIYE VESTI opens up with a report that more than 1,000 letters come in to President Boris Yeltsin every day. Most of them deal with law enforcement problems and the protection of human rights.

An analysis of mail dealing with actions to combat crime has shown that a majority of the writers of letters regard the presidential decree for the protection of the population from banditry as a timely one and support his resolute actions.

In a letter published in the newspaper, World War Two veteran V. Myakushkov, on behalf of "the most progressive part of war veterans", thanks Boris Yeltsin for his book "The President's Journal". "We profoundly believe that without your notes the true meaning of the 1993 October events would be understood in a wrong way", Myakushkov wrote.

ROSSIYSKIYE VESTI carries an interview with Russian Deputy Foreign Minister Sergey Krylov who dwells on the forthcoming meeting between the Russian president and the Group-of-Seven leaders in Naples on July 9-10.

As far as "the political aspects of world affairs" are concerned, Krylov points out, actually, it is not a question of G7 any longer. De-facto, a G-8 has already come into being. "We can now speak about a major breakthrough as regards matters concerning the country's integration into main European associations", Krylov said.

KRASNAYA ZVEZDA (RED STAR) comments on the groundlessness of Tallinn's territorial claims on Moscow. More and more actively Tallinn disputes the territorial affiliation of Pechora District of Pskov region and part of Kingissep District of Leningrad region, where Russians account for 96 per cent of the population.

Pointing out that the Estonian State Assembly (parliament) recently adopted a border law which refers to the present border between the two countries as a "provisional demarcation line", the newspaper mentions the Russian Foreign Ministry's response to the decision. The ministry issued a statement pointing out that Russia has much land but there is no superfluous one.

NEZAVISIMAYA GAZETA runs an interview with Ex-Soviet President Mikhail Gorbachev who believes that "the political course of the present-day government in Russia is wrong" and suggests creating "a unified democratic alternative to the present regime" and use it as an option at the forthcoming presidential elections.

NEZAVISIMAYA GAZETA carries an interview with Chechen President Djokhar Dudayev who said Chechnya has overcome all misfortunes that fell to its lot and the republic is now in for an economic revival. "Not a single ex-soviet republic can boast that it, like Chechnya, has traversed a legitimate road to a law-governed state," Dudayev maintains.

NEZAVISIMAYA GAZETA also interviewed Colonel-General Georgiy Kondratyev, Russian deputy minister of defence, about the situation in the area of the Georgian-Abkhazian conflict.

The Russian peacekeeping force in Abkhazia accomplishes its tasks strictly in accordance with the agreement on cessation of fire and disengagement of forces, Kondratyev said, denying accusations levelled by the Georgian and Abkhazian sides that Russian troops allegedly support of the sides to the detriment of the other one.

PRAVDA interviewed Abkhazian leader Vladislav Ardzinba who said that the Abkhazian people set great hopes on the Russian peacekeeping force and believe that hostilities will be brought to an end with its help.

TRUD carries an article about measures taken by the Russian Federal Counter-intelligence Service to put a stop to the activities of a pro-fascist radical organisation, the Veerwolf Legion, in Moscow.

The organisation set not only criminal goals but political ones as well, the newspaper points out. Therefore, actions to curb neofascist activities were decided upon not at the level of a district police department but by higher law enforcement authorities.

KOMSOMOLSKAYA PRAVDA writes about a "new Russian bureaucracy" who in their ability to live on a lavish scale "have long surpassed the previous Soviet nomenklatura".

Pointing out that some leaders of the country use special planes to fly abroad together with their families, the newspaper quotes remarks by old-timers that "even in the days of Leonid Brezhnev, our visits abroad were arranged in a much less extravagant way".

KRASNAYA ZVEZDA on the U.S. President's European tour.

The newspaper points out that Bill Clinton's tour began with a visit to Riga where not a single American president had visited before. The newspaper singles out Clinton's statement that he supports the rights of the Russian-speaking population in the Baltic countries.

PRAVDA, under the headline "A Great Human Trauma", reports recent parliamentary hearings "on the emergence of a Commonwealth of Independent States, its present state and prospects for development".

Summarising Mikhail Gorbachev's remarks at the hearings, the newspaper expresses a surprise that this man

"never go aware of his personal culpable role in the break-up of the country which was entrusted to him...". [sentence as received]

SOVETSKAYA ROSSIYA comments on the same subject, emphasising in a report headline that "at the discussion in the parliamentary centre, Gorbachev looks for those to blame for the break-up of the Soviet Union".

SOVETSKAYA ROSSIYA carries a big article about the 285th anniversary of the battle of Poltava, during which the "invincible" army of the Swedish king was routed. The battle "has forever remained as a stern warning and lesson to invaders," the article said.

St. Petersburg-based NEVSKOYE VREMYA reports that almost 3,000 million roubles worth of smuggled merchandise has been spotted and confiscated in the north-western border district since the beginning of the year.

The smuggling of arms continues unabated, with 253 guns intercepted over the past six months, the newspaper pointed out. All guns were confiscated during an attempt to smuggle them into Russia from Estonia. Over the same period, 30 kilograms of narcotics were confiscated, mainly during attempts to smuggle them out of Russia.

Yeltsin Warns Clinton of Delayed Baltics Pullout

LD0607175294 Riga Radio Riga Network in Latvian 1700 GMT 6 Jul 94

[Text] It is known that shortly before the visit to Riga of U.S. President Bill Clinton, Russian President Boris Yeltsin disclosed to him that a delay in the withdrawal of Russian troops from Latvia and Estonia is possible, and warned that Russia will only withdraw its forces from these countries if the rights of ethnic Russians living there are guaranteed.

Political commentators acknowledge that Clinton now has to maneuver to preserve good relations with Moscow and respond to the demands of the leaders of the three Baltic countries for security guarantees. It is not acceptable to the administration of the United States of America to believe that there is any link between troop withdrawal and the rights of ethnic minorities, as an anonynous official U.S. representative said. Clinton is preparing to speak to Yeltsin about the withdrawal of the Russian army at the gathering of the G-7 In Naples on Sunday, at which Boris Yeltsin will also be present.

Tells Clinton of 'Concern'

LD0607175794 Moscow INTERFAX in English 1523 GMT 6 Jul 94

[From the "Presidential Bulletin" feature: by correspondents Igor Porshnev, Yevgeniy Terekhov, and others]

[Text] U.S. President Bill Clinton on Tuesday evening spoke by telephone to his Russian counterpart, Boris Yeltsin.

According to Yeltsin's spokesman Vyacheslav Kostikov, Clinton informed the Russian president about his forthcoming visits to Riga and Warsaw.

Yeltsin expressed concern over what he called continuing violations of the rights of the Russian-speaking population in Latvia and Estonia and expressed confidence that Clinton would give a proper public assessment of those violations during his visit to Riga. Yeltsin said Russia was ready to sign a schedule for its troop withdrawal from those countries if they repealed what he described as their discriminatory laws.

Clinton said he understood Russia's concern and would give proper attention to the problem during his meetings with those countries' leaders.

In connection with Clinton's forthcoming trip to Poland, thee two presidents discussed the cooperation of the states of that region with NATO's Partnership for Peace program.

A high-ranking Russian official told the State Duma's Foreign Affairs Committee today that the policy pursued by Latvia and Estonia of arbitrarily denying citizenship to more than a million people was unacceptable.

Abdulakh Mikitayev, who chairs the president's commission on citizenship, added that according to international norms what was happening to "our compatriots" in Latvia and Estonia could be described as "genocide". He said that the two Baltic states should grant citizenship to every resident who wanted it. He added that 80 percent of these countries' Russian-speaking population, who had not received citizenship, "did not intend to move anywhere." IF Note: According to Russian Foreign Ministry figures, as of July 1, 1994 Russian embassies in the Baltics had granted Russian citizenship to 25,000 Latvian residents, 15,000 Lithuanian residents and 42,000 Estonian residents.

Clinton Statements on Baltics, Reunification Welcomed

PM0607190594 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 94 p 3

[Article by Manki Ponomarev: "Bill Clinton in Latvia. He Stated That He Supports the Russian-Speaking Population's Rights"]

[Text] What is already U.S. President Bill Clinton's third trip to Europe this year started yesterday. What is more it started with a visit to Riga, where until now no U.S. President had ever been. This was hardly accidental. After all it is here, in the Baltics, that we find one of the sore spots of European politics, connected directly with discrimination against a Russian-speaking population which is particularly numerous in Latvia itself. The citizenship law adopted there recently put many tens of thousands of the country's population in the position of outcasts. It is not for nothing that European organizations sharply criticized this law, recommending that it be reviewed. In this connection the British DAILY TELEGRAPH wrote that Latvia's policy with regard to its "non-citizens" "puts in jeopardy its efforts to become reunited with the Europe of which it so passionately considers itself to be a part."

Already, on the eve of his visit, Bill Clinton had considered it necessary to emphasize particularly the fact that he "feels comfortable" about Moscow's political policy toward the Baltics. At the same time the White House chief noted that he considers the problem of ethnic minorities in this region—about which Moscow is so concerned—to be very important. The United States, the President said, "resolutely supports the provision of protection" to the Russian-speaking population in the Baltic states.

This approach by the U.S. President was clearly seen in the telephone conversation which took place between Boris Yeltsin and Bill Clinton Tuesday evening at the latter's request. Clinton informed the Russian head of state about his forthcoming visit to Riga, as well as that to Warsaw, within the framework of his European trip.

Boris Yeltsin drew the U.S. President's attention in particular to his concern over the continuing violations of the Russian-speaking population's rights in Latvia

and Estonia and informed him about Russia's basic approaches to this question, emphasizing in particular that, if the discriminatory acts are repealed, Moscow will be prepared to put its signature to a schedule for the withdrawal of its troops. The Russian head of state expressed confidence that Bill Clinton would give an appropriate public assessment in Riga of the violations of the Russian-speaking population's rights in Latvia and Estonia. The White House chief confirmed that he understood Russia's position and assured Boris Yeltsin that he would pay this problem due attention during his meetings with the Baltic countries' leaders.

Having arrived in Riga, the U.S. President held talks with the heads of the three Baltic states. Although, as we know, nobody poses a threat to them, as far as we can judge from initial reports the Latvian, Lithuanian, and Estonian leaders tried to make the question of a system of collective security for the Baltic region and the prospects for the Baltic countries' membership of NATO the meeting's main topic. There was also discussion about the creation of a modern system for monitoring their airspace, assistance for a Baltic peacemaking battalion, support for a repatriation fund for Russian military pensioners, and the dismantling of the Russian radar station at Skrunda. In addition, clearly taking into consideration the position of his distinguished guest and worldwide public opinion, Latvian President Guntis Ulmanis considered it necessary to specially emphasize the fact that the meeting was not in the slightest anti-Russian in its orientation.

It was not just the U.S. President's visit to Latvia which drew particular attention to his third tour of Europe this year. The statement he made on the eve of his departure from Washington about its being no particular misfortune for mankind if some of the former Soviet republics decided to reunite and that reunification took place in a democratic and lawful manner, was regarded as sensational. Such a reunification would threaten neither the European countries nor U.S. interests. To be frank, this is the first statement of its kind by a White House chief, and it is evidence of appreciable changes in U.S. policy toward Russia.

It is no accident that observers in particular singled out from Bill Clinton's interview for a number of newspapers on the eve of his visit the words: "A unified Europe with a trustworthy Russia which is possible, and we will work to achieve that goal."

From Riga Bill Clinton set off for Warsaw.

Reportage on Kozyrev Talks on Bosnia

Expects Cooperation from Milosevic

LD0607172194 Moscow ITAR-TASS World Service in Russian 1516 GMT 6 Jul 94

[By ITAR-TASS correspondents Dmitriy Gorokhov, Ivan Ivanov, and Aleksandr Kondrashov]

[Text] Belgrade, 6 Jul—Andrey Kozyrev, minister of foreign affairs of the Russian Federation, arrived in Belgrade today on a working visit. He is to discuss with Serbian President Slobodan Milosevic the documents of the Geneva meeting of foreign ministers of the six countries, aimed at settling the Bosnian conflict.

"I think that the peace plan worked out in Geneva is the best option that could be achieved," the Russian minister announced on his arrival in an interview to ITAR-TASS. "We know the wishes of our friends in Belgrade and the wishes of our Serb friends in Bosnia, which have been brought to the notice of the Russian leadership. Of course, what was adopted in Geneva yesterday is not a 100 percent carbon copy of the wishes of our Serbian friends, but it is the optimum option."

In the Geneva peace plan, A. Kozyrev continued, the full balance of strategic interests has been observed as regards the territorial demarcation in Bosnia. We expect a clear "yes" to the proposals of the international community from both sides. And, knowing the authority of President Milosevic, I have come here expecting a clear positive response from him too.

Considers Settlement Plan 'Optimal'

LD0607183194 Moscow ITAR-TASS in English 1818 GMT 6 Jul 95

[By ITAR-TASS correspondents Dmitriy Gorokhov, Ivan Ivanov, and Aleksandr Kondrashov]

[Text] Belgrade, July 6 (TASS)—The peace plan of the territorial division in Bosnia offered by the five-nation "contact group" in Geneva on Tuesday is an "optimal variant". "This is what serbs and their friends could only dream of," Russian Foreign Minister Andrey Kozyrev told ITAR-TASS on his arrival at the Belgrade airport.

The head of the Russian Foreign Office believes that the peace plan proposed by the foreign ministers of the Russian Federation, the United States and a number of countries of the European Union envisages a full balance of the strategical interests concerning the territorial division.

"The main thing is that Serbia, Montenegro, Bosnian Serbs and Serbs are facing the clear prospects not only for lifting the U.N. sanctions but also returning to the world community and to normal life", Andrey Kozyrev pointed out.

In reply to a question by ITAR-TASS as to how the events will further develop, the foreign minister said: "I think that at first the proposed plan will be rejected by all conflicting sides but then will be accepted by all".

Such is the nature of a compromise, he said, as not a single side, be it Moslems, Croats or Bosnian Serbs, "have received everything they wanted".

Knowing the position of its Serbian friends the Russian side did not allow the drawn up compromise plan to be

"humiliating or truncated" for any side concerned, Andrey Kozyrev emphasised.

The Russian foreign minister particularly noted that the Geneva plan of the territorial division of Bosnia was not an ultimatum. "The international community, the foreign ministers of the countries participating in the work of the contact group reserve the possibility for its elaboration" by representatives of Bosnian Moslems, Serbs and Croats, the head of the Russian Foreign Office noted.

It is necessary to treat equally all three warring sides in the settlement of the Bosnian crisis, Andrey Kozyrev stressed.

"If the Moslem side has formed a federation with Bosnian Croats and wishes to establish federal relations with Croatia, it is natural that Bosnian Serbs have the same right to establish appropriate relations with Yugoslavia or Serbia", the minister stated.

"The territorial integrity of Bosnia-Herzegovina must be guaranteed at the present historical stage," the Russian top diplomat stressed. "If we start reshaping the map of Bosnia- Herzegovina taking into account the newly formed states on its territory—this process will be endless," he said.

The territorial integrity of Bosnia-Herzegovina can be guaranteed if a union or a confederation of states—the Moslem-Croatian federation and the Serb Republic in Bosnia—are formed on its territory, the Russian foreign minister accentuated.

Holds Talks With Milosevic

LD0607211294 Moscow ITAR-TASS World Service in Russian 1935 GMT 6 Jul 94

[By ITAR-TASS correspondents Dmitriy Gorokhov, Ivan Ivanov, and Aleksandr Kondrashov]

[Text] Belgrade, 6 Jul—Serbia and Russia come out unequivocally for the rapid achievement of a firm and just peace in Bosnia, Serbian President Slobodan Milosevic stated at the end of the three hours of talks with Andrey Kozyrev. The talks were devoted to the Geneva peace plan put forward by the heads of the foreign policy departments of Russia, the United States [passage indistinct] a certain amount of time for the sides to overcome them, to hold talks, and then express their opinion.

An active attitude to these proposals by the warring sides, the president continued, is at the present time a most important condition for achieving a mutually acceptable solution. The sides in the conflict, themselves, must put forward specific proposals on the details of the plan and the maps. As far as Serbia is concerned, it will support efforts to achieve a just and long-term peace.

He believes that the first step in this process should be to extend the term of the truce agreement. This will create conditions for ending the war and the bloodshed. Our line is well known—a long-term and firm peace cannot be achieved without equality of interests of all the state-forming peoples of Bosnia and Herzegovina.

Answering a question from ITAR-TASS, Andrey Kozyrev stated that his conversation with the Serb president had been "frank, businesslike, and constructive." Although Russia has close relations with the Serbs, it does not support any of the sides involved in the conflict. "First and foremost we want the establishment in Bosnia of a fair peace for everyone," he emphasized. The minister backed the Serb president's call for an extension of the truce in Bosnia, which is due to expire on 10 July.

Concerning the issue of lifting the sanctions against Yugoslavia Kozyrev described it as a priority in Russia's foreign policy.

Leaves Belgrade After Talks

LD0707100194 Moscow ITAR-TASS World Service in Russian 0920 GMT 7 Jul 94

[ITAR-TASS correspondents Dmitriy Gorokhov, Ivan Ivanov, and Aleksandr Kondrashov]

[Text] Belgrade, 7 Jul—Russian Federation Foreign Minister Andrey Kozyrev left Belgrade today. During his working visit to Yugoslavia, he had talks with Serbian President Slobodan Milosevic on the results of the Geneva foreign ministers' meeting on Bosnia.

During a brief conversation with Russian journalists before flying out, Kozyrev voiced the hope that the Geneva plan for a territorial demarcation of Bosnia would ultimately be adopted by the three parties to the Bosnian conflict. The main thing was that Milosevic, who has great influence on the Bosnian Serbs, had not said "no", the Russian minister emphasized.

Moscow Hopes for Common Sense From Bosnian Sides

LD0607145194 Moscow INTERFAX in English 1327 GMT 6 Jul 94

[Text] The second ministerial meeting on Bosnia, which took place in Geneva on Tuesday with the participation of the foreign ministers of Russia, the United States, Britain, France, Germany, Greece and Belgium gave a certain impetus to the process of finding a peace settlement.

Now it is up to the conflicting sides with which the Contact Group is working, INTERFAX was told Wednesday by Deputy Russian Foreign Minister Sergey Krylov.

Krylov said that Russia is using all possibilities available to influence the conflicting sides and said that the results

of the second ministerial meeting on Bosnia and the situation in the former Yugoslavia would be the subject of a detailed discussion later this week at the summit of the "political Group of Eight" in Naples.

Krylov pointed to the futility of the attempts to say who is wrong and who is right in the Bosnian conflict. There are no such in the civil war, he said. We rely that the two sides will show commonsense and we hope that they will understand how serious the situation is.

Ganic Calls Russian Role in Settlement 'Important'

LD0607143494 Moscow ITAR-TASS in English 1324 GMT 6 Jul 94

[By ITAR-TASS correspondents Dmitriy Gorokhov and Konstantin Pribytkov]

[Text] Geneva July 6 TASS—Russia's aspiration to interact with other countries in the Yugoslav settlement is very important, Ejup Ganic, one of the leaders of the Muslim community in Bosnia- Herzegovina and deputy chairman of the Presidium of the republic, told ITAR-TASS in an interview.

As a member of a delegation of the Muslim-Croat federation he visited the representation of the Russian Federation at the U.N. European office in Geneva where the five-nation "Contact Group" on Bosnia gathered for a meeting.

"It is very good that Russia is interacting with other countries. This will have a great influence on its future cooperation with the Islamic world," Ejup Ganic stressed.

As for the joint peace plan proposed by foreign ministers of the Russian Federation, the United States and countries of the European Union on Tuesday, Ejup Ganic said that Muslims and Croats had no intention to reject it immediately. "We must study it. That is all we can say now. We need some time to see how the situation will evolve in reality," the Muslim leader pointed out.

As regards his assessment of the position of the opposite side—Serbs—the first statement by Ejup Ganic after the Geneva-2 ministerial conference showed that it did not contain any new accents. "I do not think that Belgrade and Serbs are ready for peace," he noted.

On instructions from the heads of the foreign offices of the Russian Federation, the United States and the countries of the European Union, experts from the "Contact Group" informed the Muslim-Croat delegation on what international measures of encouragement or, on the contrary, additional pressure the sides must count depending on whether they agreed or not with the new peace map for Bosnia drawn up by the "Contact Group".

Islamic Involvement Essential to Bosnia Settlement

PM0607174794 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 94 p 3

[Report by Sergey Sidorov: "Still-Born 'Peace' Ultimatum"]

[Text] The Geneva meeting of the foreign ministers of Russia, the United States, and the EU countries ended in the adoption of an ambitious but far from realistic plan for joint operations in Bosnia. At the meeting held at the Russian UN mission Tuesday the ministers put a "peace ultimatum" to the warring factions, calling on them to end the war and to make peace on the basis of the latest version—who knows how many there have been?—of the map drawn up by the "group of experts."

Of course, attempts to reach agreement between the grandees of the world community are better than nothing. But the claim that a "common front has been opened against those whom the war has deprived of their reason"—mentioned by Russian Federation Foreign Minister Andrey Kozyrev at the final press conference—already looks not very serious, to say the least. The Bosnia conflict has long since outgrown the scale of even such a representative trio as the United States, the EU, and Russia. We can only talk about a common front if referring to one of the main motive forces of the Bosnia crisis—the Islamic factor. But the organizers of the meeting probably did not even think of inviting to the meeting on setting up the "common front" prestigious figures from the Arab world—representatives of the Islamic Conference, for instance.

Until the Europeans, the United States, and Russia recognize the processes which the hasty recognition of Bosnia has set in train, and the Islamists in the Near East realize that exporting the Islamic revolution to Europe will be too explosive a venture, there will be no "peace offensive" in Bosnia. Weapons for the Bosnian Muslim army, which is growing stronger by the day, will continue to flow in unchecked as they are now—since they are being paid for not by the United States and Europe (with their discussions about the observance or nonobservance of the embargo) but by Iran and Saudi Arabia. The political extremists in Sarajevo will be stopped even less by threats to strip them of their "international support," since this refers to support from the West. And those currently leading the Bosnian Muslim community have never seriously relied on that support anyhow. Long before the bloodshed began they were relying mainly on the Saudis' bottomless pockets and Tehran's enthusiasm for financing revolution.

Despite the permanently deteriorating situation in Bosnia, there is still a chance of achieving peace. And Russian diplomats will soon be able to take that chance, when Islamic Conference Secretary General Hamid Algabid arrives in Moscow to take part in the "Islamic Appeal" conference. Russia, with its pretty good standing in the Islamic world, is capable of finding the

necessary points of contact and of achieving the delicate balance of interests which alone can lead to peace in Bosnia.

Kozyakov on Significance of Arms Exports

LD0607204094 Moscow Radio Moscow World Service in English 1710 GMT 6 Jul 94

[Text] Representatives of the defense ministries of Russia and France have signed in Moscow on Tuesday a memorandum on cooperation in the production and sale of weapons on the world market. There are also reports on measures to increase Russia's exports of weapons. Vladislav Kozyakov comments:

The global trade in weapons has assumed—one dares say—a new height at the moment. This is particularly so for the industrialized nations of the world. Export of weapons is being carried out simultaneously with conversion of military production. Export of arms has become, as it were, a great help in the solution of the difficult problem of a civilian economy. That's precisely how the United States, Canada, France , Russia, and other exporters of weapons view this form of commerce.

Naturally the new situation gives rise to fresh, not unimaginative approaches. Even though Russia and France are sometime competitors in this sphere nonetheless they have common economic interests. On the one hand, the Moscow memorandum on cooperation in the defense industry has the objective to assist conversion, and, on the other, to find a way to faster development in the production of weapons and military equipment and also an expansion of their sale on the world market. The agreement envisages the exchange of scientific, technical, and patent information, specimens of items of technology, and also joint trips by specialists of both countries to enterprises of the defense industries and to research centers.

Of course, Russian exporters of weapons are seeking to strengthen their positions in those states with which they have had a wide range of ties for a long time. For example, during the recent visit of the Indian Prime Minister Narasimha Rao to Moscow, an agreement on a new military cooperation was reached. Russia will build a joint venture enterprise in India with the capital of $400 million, which will supply spare parts to Russian manufactured aircraft. Other agreements on the sale of weapons and other military hardware were also concluded.

But perhaps the most remarkable aspect of the current Russian trade in weapons is the acquisition of new clients. The recent agreement on the sale of Russian jet fighters, their MiG 29, to Malaysia, has been widely publicized. The contract is seen as a big breakthrough to the new market in Southeast Asia where until recently Western companies dominated and challenged. An agreement for the supply of weapons to Kuwait is being worked out. The issue of the supply of Russian weapons to Brazil, Chile, and other Latin American nations, is being actively considered. Just recently there has been an exchange of opinions on the sale of certain types of weapons to South Africa. According to the director of South Africa's Arms Corporation (?Janan Murmani), good conditions exist for this to happen.

Those days when ideological motives and bloc interests dominated on the world market for arms are gone forever. Now commercial and economic advantages have come to the forefront. These aspects are of considerable importance to Russia because a difficult process of a deep conversion is underway in the country and consequently there is a sharp reduction in military orders and the reforms continue. Military export, therefore, constitutes a significant part of Russia's foreign trade.

New DPRK Consul Calls on Pacific Fleet Chief

OW0607153194 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0715 GMT 6 Jul 94

[From the "Pacific Ocean" Program]

[Text] (Yi Kin-du), the newly appointed consul general of the Democratic Peoples Republic of Korea in Nakhodka, yesterday paid an official visit to Vice Admiral Oleg Faleyev, Chief of Staff of the Pacific Fleet. During the course of the visit, the consul general briefed the vice admiral on the current situation in DPRK, the method of approach to resolving the nuclear problem on the peninsula, and the unification of the Korean nation. He expressed the hope that goodneighborly relations between DPRK and Russia, and their armed forces, would be maintained and developed.

State Duma Denounces Latvian Citizenship Law

LD0607214994 Moscow ITAR-TASS in English 1754 GMT 6 Jul 94

[By ITAR-TASS correspondent Vladimir Taranov]

[Text] Moscow July 6 TASS—The State Duma, lower house of Russian parliament, voted overwhelmingly on Wednesday to denounce a citizenship law recently passed by the Latvian Sejm (parliament).

"The law affecting the destiny of hundreds of thousands of people contains a number of articles unacceptable to civilised states, which infringe the rights of national minorities, above all Russian - speakers in Latvia", said the resolution passed by Russian lawmakers.

The resolution stressed that the Latvian parliament's decision defied the world community by legally fixing the system of citizenship quotas that contradicts international practice.

By arbitrarily depriving one third of Latvia's residents of citizenship, restricting their political, economic, social and cultural rights, Latvia once again demonstrates its adherence to the course aiming to drive "nationalities non grata" out of the country. The State Duma

demanded that the Latvian Sejm reconsider the new citizenship law, saying its preservation was fraught with most serious consequences and would certainly "foment aggressive nationalism" in the Baltic state.

Russian lawmakers also addressed the parliaments and governments of European countries with an appeal to force the Latvian parliament to reconsider the discriminatory clauses of the new law.

Environmental Protection Accord Signed With Belarus

LD0607225994 Moscow Radio Rossii Network in Russian 1700 GMT 6 Jul 94

[Excerpts) An agreement on environment protection between Russia and Belarus has been signed in Smolensk. Our correspondent Vladimir Vengrzhnovskiy reports.

[Vengrzhnovskiy] [Passage omitted] In order to join efforts aimed at ecological improvement of the environment an international agreement was signed in Smolensk. It outlines Russia's and Belarus' duties linked to joint use of water in the basin of rivers they share—Dnepr, Western Dvina, and Sozh—and contains a number of other requirements for improving the ecological situation on the territories of both sides. The agreement is also a legal basis for the joint interstate use of our countries' natural resources.

Signing the agreement on mutually beneficial cooperation, Viktor Danilov-Danilyan, Russian minister of ecology and natural resources, and Anatol Darafeyew, his Belarus counterpart, stressed that the document is the first major bilateral agreement between Russia and Belarus. [passage omitted]

Political Issues

Yeltsin, Rybkin Discuss Combatting Crime

LD0607204494 Moscow Radio Rossii Network in Russian 1900 GMT 6 Jul 94

[Text] At a traditional meeting today, President Yeltsin and State Duma Speaker Rybkin discussed topical issues related to the country's life. The speaker informed journalists that the head of the Russian state was interested in the results of the State Duma delegation's trip to Siberia and the Far East. The leaders also examined issues of fighting organized crime. An accord was reached on the unconditional fulfillment of all the legislative enactments aimed at combatting crime. The sides discussed issues related to a draft law on the adoption of a state privatization program after 1 July. The Duma will start to examine this draft law tomorrow.

Khasbulatov: No Strong Opposition in Republic

LD0607182094 Moscow ITAR-TASS in English 1815 GMT 6 Jul 94

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow, July 6 (TASS)—Former Russian parliament speaker Ruslan Khasbulatov said there is no strong opposition in russia and its leaders have bogged down in political bickering and deep contradictions.

In an interview with ITAR-TASS on Wednesday, Khasbulatov said that there is "practically no" opposition in Russia. "There are separate leaders who are being torn apart by contradictions and ambitions, but the regime is laughing at them."

Khasbulatov believes former Russian Vice-President Aleksandr Rutskoy's political chances are very high. "It is wrong to think that there are no contradictions between us, but Rutskoy is an honest and courageous man, a real political fighter," he said.

Rutskoy has "one rare characteristic—he knows what moral, conscience and responsibility to the people are. This virtue of his overshadows all his faults," Khasbulatov said.

The ex-speaker stressed that he is not a "rally-type politician like (Communist hardliner) Viktor Anpilov or (Russian President) Boris Yeltsin." "I am an entirely different kind of politician," he added.

Khasbulatov is in charge of a department of the Russian Academy of Economics and is writing a book about the 1993 October events. The book, tentatively named "The Great Russian Tragedy," is expected to be finished this autumn. However, his other work, "World Economy," is coming out this week.

Shumeyko To Run for President if Yeltsin Out of Race

LD0607160294 Moscow INTERFAX in English 1327 GMT 6 Jul 94

[Text] Chairman of the Russian Federation Council Vladimir Shumeyko said at a press conference in Kaliningrad today that he would be running for the presidency in 1996 only if current President Boris Yeltsin did not put forward his candidacy.

"If the Russian president runs for the presidency again, I will not put forward my candidacy in 1996. If for some reason Yeltsin is not running for a second term I will have to look around and make a decision as the situation dictates," Shumeyko said.

Official Discusses Subsidies to Mass Media

MK0507150594 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 3 Jul 94 p 1

[Interview with Sergey Gryzunov, deputy chairman of the Russian Federation Press Committee, by Yelena Sorokina: "Between Chernomyrdin and Zyuganov. The One Who Behaves Well Will Get the Biggest Candy"]

Despite the existing law on the press, the authorities still tend to see journalists either as enemy spies or as their subordinates.

Still, the mass media's duty is elsewhere. Each journalist is perfectly aware that his objective is to keep bureaucrats in constant tension, not to let them relax or forget that they serve people's interests, not theirs. It is on this, nearly seditious draft document on cooperation between the authorities and the mass media that the committee is currently working. Since work on the draft has already begun, your MOSKOVSKIY KOMSOMOLETS correspondent thought it not without interest to ask Sergey Gryzunov, deputy chairman of the Russian Federation Press Committee, who is in charge of periodicals, how the land lies with regard to the appropriation of budget money for subsidies to the press.

[Sorokina] Sergey Petrovich, what do you think about the fact that presently most newspapers have become partisan and effectively defend the interests of either parties or financial groups?

[Gryzunov] There should be any sorts of newspapers. As for the publications' party affiliation, this is normal. I have recently returned from a trip to the United States, and now I see clearer what we might come to. There, newspapers have become an element of a gentleman's kit of large financial groups. Industrialists who sponsor newspapers do not even bother to meddle into their publications' affairs, they simply know that one of their thousand businesses is a newspaper.

Currently it is the Council on the Control over the Allocation of Subsidies to Periodicals that is in charge of

the allocation of budget money; it is a deliberative-executive body whose objective is to compile a list of newspapers that need financial support from the state. Only money losing publications are subsidized.

Mr. Gryzunov complained, however, that in order to receive subsidies some publications hide their actual income. Interestingly, the council's decisions are final and cannot be reversed by other bodies or officials. Sergey Petrovich said, however, that he feels constantly under pressure. For instance, one day Zyuganov called and said that unless money is earmarked for SOVETSKAYA ROSSIYA, not a single proposal of the Press Committee would be passed by the State Duma, because the communists would not forgive such an attitude to their publication.

The government staff is also exerting pressure on the council. Meanwhile, the council has only 11.4 billion rubles at its disposal for all needy publications till the end of the year. Half of this money will be spent on maintaining the government publications ROSSIYSKIYE VESTI and ROSSIYSKAYA GAZETA.

[Sorokina] Sergey Petrovich, how long will government "organs" exist that live on budget money? When will there be a market for all?

[Gryzunov] The government's having its publications is an abnormal phenomenon. We are drawing up a clear-cut state policy with regard to the mass media. There will be no place for government publications there. I think that money should first of all be allocated to publications that have helped our society to make a U-turn. For instance, OGONEK, NOVYY MIR, and others.

As long as a clear-cut concept is lacking, however, it is government publications that, as usual, understand the policy of the authorities "the right way" that will apparently receive the lion's share of the money.

Economic Issues

No Subsidies for 'Inefficient Conversion'

LD0707054694 Moscow ITAR-TASS in English 0504 GMT 7 Jul 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow July 7 TASS—Russian Prime Minister Viktor Chernomyrdin, who has returned from a trip to Ural defence enterprises late on Wednesday [6 July], said the government will not subsidise inefficient conversion projects.

The trip, according to him, may result in "a certain revision of the government conversion programme towards supporting only concrete projects which have proved to be efficient".

In conditions of a tough budget "we have to live within our means and refuse from subsidising inefficient conversion", he told TASS.

Certain 'Natural Monopolies' Considered Necessary

LD0707095794 Moscow ITAR-TASS in English 0837 GMT 7 Jul 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow July 7 TASS—The Russian Government gave an outline approval on Thursday to the lawbill on "natural monopolies" which says that the development of certain branches of industry is impossible and inefficient in conditions of competititon.

The industries include oil and gas transportation by major pipelines, electricity production and transportation, railway shipments and deliveries to hard-of-access areas, services of transportation terminals, sea and airports, certain postal services, water supplies and sewerage, air traffic control.

The lawbill envisages to create federal agencies which would run and control the activities of the above-mentioned industries. They will "ensure preliminary control of capital investments of natural monopolies, the sale and leasing of part of their basic assets to other economic organisations, as well as acquisition of the controlling interest in the authorised capital of other subjects", according to the document.

"There are spheres in any economy where market pricing policy is not the best", Leonid Bochin, chairman of the government Committee on Anti-Monopoly Policy and Support to New Economic Ventures, told the government meeting. He added that the natural monopolies can better develop production in the absence of competition because of their specific technologies.

Bochin believes that demand for the produce of natural monopolies does not depend that much on price fluctuations. The produce satisfies the major needs of the population and is irreplaceable for other industries, this, in its turn, allows the enterprises to fix prices considerably higher than the production costs, he said.

Problems Remain Despite Favorable Trade Balance

LD0707092494 Moscow ITAR-TASS in English 0814 GMT 7 Jul 94

[By BUSINESS-TASS]

[Text] Moscow July 7 TASS—Although Russia has a highly favourable balance in trade, its finacial situation remains extremely difficult.

This evaluation was given by the analysts of the Institute of Economic Prognostication under the Russian Academy of Sciences, who circulated a special report in

the run-up to parliamentary hearings on social and economic situation in the country.

According to the Russian Central Bank, net debt under credits increased by 4.4 billion USd [U.S. $] in 1993. External debt has amounted to 85 billion USd. Debt repayments (including rescheduled payments) are expected to total over 30 billion USd in 1994.

The 1993 favourable trade balance amounted to 17 billion USd, inclusive of gold sales. According to the Central Bank, the unaccounted imports surpassed seven billion USd, which effectively lowers the officially registered favourable trade balance to nine billion USd.

In the first five months of 1994, Russian exports exceeded imports by 10 billion USd. According to the customs statistics, 40-45 percent of imports and 10-12 percent of exports remain unaccounted.

Real payments against gross indebtedness and interests amounted to 3.6 billion USd in 1993, and, according to the agreements reached with the International Monetary Fund, to 3.7 billion USd in 1994. Such low payments have come as a result of talks with the Paris club".

In expert opinion, foreign debtors have failed to contribute to augmenting Russia's hard-currency resources. They were expected to contribute 10.6 billion USd in 1993, whereas the sum they actually paid then was two billion USd.

Domestic enterprises are becoming a source of replenishing the country's hard-currency resources. However, attempts to mobilise required quantities of domestic hard-currency resources are running into serious difficulties. This results in outflow of hard-currency receipts from exports and budgetary deficit in hard-currency taxation receipts.

Thus, multiple failures to pay customs duties in full resulted in getting only 700 million USd instead of expected 2.6 billion USd.

Government, Economic Associations Agreement

PM0607165594 Moscow ROSSIYSKAYA GAZETA in Russian 2 Jul 94 First Edition p 5

["General Agreement between Russian Federation Government and Federation Components' Economic Interaction Associations for 1994-1995"]

[Text] With a view to stabilizing and subsequently developing the economy and social sphere of the components of the Federation, integrating the economies of the countries' regions into a single national economic complex, developing market relations, and increasing the effectiveness of the international cooperation, the Russian Federation Government and the economic interaction associations formed on a voluntary basis by the components of the Federation have concluded an agreement as follows:

1. It shall be deemed expedient to implement a demarcation of powers between the federal organs of management and the organs of management of the components of the Federation. Mechanisms shall be developed for interaction between the organs of central executive power and economic interaction associations.

2. It is recommended that the powers of the federal organs of executive power and the executive organs of power of the components of the Federation be restricted to the following main avenues of economic activity:

—institutional transformations—privatization, support for new forms of economic management including small and medium business, the creation of a market infrastructure—with a view to the formation of an effective commodity production using state regulation of the regional economy;

—financial and budget, credit, taxation, and prices policy;

—foreign economic activity—quotas, licenses, dues; representation, the conclusion and fulfillment of contracts, the fulfillment of joint projects, and others;

—the management of the regional economy—the solution of problems of the organization of sectorial and territorial management, the preferential training and retraining of cadres in the field of the management of the market economy and territories' self-management, the development of inefficient sectors of the national economy, conversion production facilities of the military-industrial complex, and the federal production infrastructure, support for depressed and developing regions, and others;

—social policy—the ensuring of social guarantees for the population, primarily the deprived strata, employment, the solution of migration problems including the resettlement of the population from the CIS countries and Northern territories, the construction of housing, the development of health care, culture, education, science, and others.

The preparation of proposals and their implementation should be within the framework of the Russian Federation commission for the demarcation of powers.

The commission's proposals shall be drawn up in the form of decrees of the Russian Federation Government for the demarcation of powers.

3. Priority avenues of the comprehensive socioeconomic development of Russian Federation economic interaction associations shall be determined, in 1994-1995 the relevant programs shall be elaborated, proposals shall be prepared for material and technical and financial backup for programs, programs shall be examined as they reach the Russian Ministry of the Economy, the Russian Ministry of Nationalities Affairs and Regional Policy, and the Russian Ministry of Finances, and tripartite agreements on their implementation shall be signed.

With a view to the effective implementation of the programs which have been elaborated, the possibility shall be envisaged of creating organs for their management.

4. To fulfill and coordinate work on the programs, regional working groups and working groups for the leading sectors of the national economy shall be formed. The working groups for the leading sectors of the national economy shall include representatives of:

ministries and departments of federal organs of power in charge of the sectors;

the Russian Ministry of Nationalities Affairs and Regional Policy, the Russian Ministry of the Economy, and the Russian Ministry of Finances;

economic interaction associations of the Russian Federation components.

Within the framework of the Russian Federation Government commission for the demarcation of powers, a combined group shall be formed of representatives of the economic interaction associations and the federal organs of executive power. The combined working group shall be charged with tasks of the organizational and methodological backup and generalization of the work of the regional and sectorial working groups and also the coordination of programs for the comprehensive socioeconomic development of economic interaction associations.

5. A regional scientific research work fund shall be formed to finance the development of socioeconomic programs. The fund's assets shall be formed from payments from local budgets and federal resources intended by the Russian Ministry of Science for regional programs, and nonbudget sources. The mechanism for the formation and use of the fund's assets shall be stipulated in an agreement between the Russian Ministry of Science and the Russian Ministry for Nationalities Affairs and Regional Policy representing the interests of the components of the Federation in relations with the federal organs of executive power.

6. The informational, scientific, material and technical, and financial backup for the measures envisaged by this agreement is implemented on a proportional basis by the Russian Federation Government, the Russian Federation components, and other sources.

7. With a view to lending a legal basis to cooperation between the central organs of federal executive power and interregional associations, a Russian Federation Government decree shall be elaborated and adopted regulating this cooperation. The Russian Federation Government must appeal to the Russian Federation president and the Federal Assembly for the general agreement to be backed up by the relevant edict and decree.

8. This general agreement enters into forces from the moment it is signed.

[signed] The Russian Federation Government,
the association of oblasts and cities of Central Russia,
the association of economic interaction of the Northwest territories,
the "Chernozem" association,
the association for the socioeconomic cooperation of the republics, krays, and oblasts of the North Caucasus,
the "Big Volga" association,
the Ural regional association,
the interregional "Siberian Accord" association.

the Far East Association.

Military & Space Issues

Pacific Fleet Combat Training Goes According to Plan

OW0707000794 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0715 GMT 6 Jul 94

[From the "Pacific Ocean" Program]

[Text] Combat training in the Pacific Fleet is progressing according to plan, despite complications created by the current economic situation in the country. Over 60 percent of the annual training tasks were completed by 1 July. Analyses show that planning discipline has grown in comparison with last year, and the quantity and quality of the completed combat exercises remains at the previous high level.

Proton Rocket Launched Carrying Cosmos-2282

LD0707070494 Moscow ITAR-TASS World Service in Russian 0625 GMT 7 Jul 94

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow, 7 Jul—A heavy Proton carrier rocket was launched this morning at 0358 and 51 seconds Moscow time from the Baykonur cosmodrome. Its mission is to put the space vehicle Cosmos-2282 into geostationary orbit. The launch, which was carried out by the Russian Federation Military Space Forces (VKS) for the Defense Ministry, was successful. An ITAR-TASS correspondent was told this at the VKS press center.

Federal Assembly

Duma Passes Law on Weekly TV Parliamentary Program

LD0607230194 Moscow Russian Television Network in Russian 1600 GMT 6 Jul 94

[From the "Vesti" newscast]

[Text] Henceforth, newscasters will not be able to pass comments on reports on the work of the president, the government, or deputies. While broadcasting on the first

and second television channels is being reduced to 15 hours a day, the State Duma has passed a law on the procedure for covering the activities of the organs of state power, obliging the media to put out a 45—minute program on the work of the corps of deputies every week.

[Begin Deputy S. Baburin recording] The law is necessary to set up a normal democracy so that respect for parliament grows stronger. That requires information to be precise and people to accept responsibility for any distortions. [end recording]

[Correspondent Kuznetsova] The media must now broadcast, at least once a month, programs containing debates between parliamentary blocs and groups of deputies. The length of such a broadcast will be at least 45 minutes. Moreover, journalists are obliged to provide the requisite professional assistance. It must be said that most of the people's elect passed the law with applause. But there were those who doubted that deputies would now become more interesting to look at.

[Begin Deputy M. Molostvov recording] Statesmen want to show off in front of the microphone or at least to show their political persona, irrespective of whether that is of interest to viewers, or whether they want to spend their evenings and afternoons by the television when our faces flash on to the screen, or not. We are restoring our monopoly on information. [end recording]

Duma Bill on Media Detailed

LD0607231494 Moscow ITAR-TASS World Service in Russian 1648 GMT 6 Jul 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow, 6 Jul—The news programs of the state federal audiovisual mass media should not comment on reports on the work of the president of the Russian Federation, sessions of the chambers of the Federal Assembly, or the Russian Government. Thus runs one of the articles of the draft law on "Procedures for Covering the Activities of the Organs of State Power in the State Mass Media" which was adopted by the State Duma today at a second reading, with consideration for amendments proposed by the president of the Russian Federation. A total of 236 deputies voted for the bill and 28 against; four abstained.

The draft law stipulates that the state federal audiovisual mass media are obliged to ensure that such events as, for example, appeals and statements by the president of the Russian Federation, the chambers of the Federal Assembly, and the Russian Government, the inauguration ceremony for a president of the Russian Federation and so on, are diffused in full on at least one channel of Russian national television and radio.

The Federal Commission for Television and Radio Broadcasting will be entrusted with observing the draft law in question. According to an amendment by the president to the draft law which was adopted today, this commission has been made a federal organ of executive power.

After final work on the given document is completed with consideration for criticisms leveled during the debate at its second reading, it will be submitted for approval at a third reading this month.

In order to avoid any conflict arising between this document and the law in operation on the mass media, the deputies amended the latter accordingly today. Among other things, they forbid the federal organs of state power of the Russian Federation and its components' state power organs to establish printed periodicals, except for publications which publish only official reports and materials.

Biryukov To Head Radio, TV Service

LD0607230894 Moscow Russian Television Network in Russian 1900 GMT 6 Jul 94

[From the "Vesti" newscast]

[Text] According to the deputy chairman of the State Duma, about $10 million will be needed to equip a studio for the parliamentary radio and TV service, and that is just for the initial period. It will be housed directly in the State Duma building in Okhotnyy Ryad.

The head of the parliamentary radio and TV service is known. He is Dmitriy Biryukov, who used to be a political observer for central TV.

Duma Hearings Debate Economic Crisis

PM0707092594 Moscow KRASNAYA ZVEZDA in Russian 6 Jul 94 p 1

[Report by Vladimir Yermolin: "Situation Is Critical. Way Out Lies in Pooling Efforts; Hearings on Socioeconomic Situation in Russia Held in State Duma"]

[Text] The hearings were held at the initiative of the State Duma committee for economic policy but may be said to have been of unprecedented scale in terms of their representation. Experts from various economic schools, scientists, representatives of the regions, and guests from the CIS countries gathered in the auditorium. Russian Federation Government Vice Premier Oleg Soskovets delivered a report to those assembled. But before that Duma Speaker Ivan Rybkin said a few words. In Rybkin's opinion the further path of the country's social and economic reform requires the rejection of "the simplified liberal tactic of transformations and the transition to a socially oriented policy."

The first vice premier's report abounded in figures mainly reflecting the deplorable processes in the Russian economy. In the first half of the year, Oleg Soskovets said, the dynamics of the industrial production slump were maintained, which is entailing a pernicious depression. The budget deficit is a constant source of inflation

danger. Despite the fact that its size has been enshrined in the law on the federal budget, the situation with regard to tax receipts for the state coffers is such that the planned revenue will hardly be collected.

As an illustration I shall cite several figures relating to expenditure for which finance was envisaged in January through May this year. Over the five months the national economy received only 52.99 percent of the planned funds. The budget conversion fund received 67.3 percent. Only 75.75 percent of expenditure on the maintenance of the law enforcement organs was received. The figure for defense expenditure was 61.02 percent. That is, whichever way you look at it you lose. Now literally everyone is being underpaid. The Ministry of Finances is issuing money, as we know, as the revenue comes in. Over the five months the treasury has received revenue of 31.6 trillion rubles, which is 41.6 percent of the amount planned in the budget for the first half of the year.

All the above is scarcely news to most of our readers. We can sense all these "statistics" every day in our pockets, you only have to compare income and expenditure in your own family budget.

The coreport delivered by Sergey Glazyev, chairman of the parliamentary committee for economic policy, contains the following conclusion: The main avenues of economic policy announced in the president's message to the Federal Assembly are not in fact being fulfilled.

The participants in the hearings also tried to answer the question "what is to be done?" The parliamentarians suggested their own program (and not just one program) for emerging from the crisis. Time will tell how successful the harnessing of the efforts of the Duma and government will be.

Duma Holds Hearings on Ethnic Russians in Baltics

MK0607094094 Moscow SEGODNYA in Russian 6 Jul 94 p 2

[Report by Yelena Tregubova under the "Care" rubric: "Protection of 'Ethnic Russians' Rights Takes Money. Fellow Countrymen Leave the Baltics Less Willingly Than the 'Near Abroad'"]

[Text] As little as 25,000 "ethnic Russians" living in Latvia have filed for Russian citizenship since the Baltic states regained their independence. The number of those wanting to acquire Russian Federation citizenship is 15,000 in Latvia and 42,000 in Estonia. These figures were quoted by Vyacheslav Bakhmin, director of the Foreign Ministry Department for Humanitarian and Cultural Cooperation, in yesterday's Duma hearings on "relations with fellow countrymen in the 'far abroad' and the Baltic countries." The Foreign Ministry spokesman admitted that the number of those leaving for Russia from the Baltic countries is incomparably less than of those wishing to leave the so-called "near abroad," like, for example, Tajikistan or Azerbaijan.

Despite this, the State Duma International Affairs Committee leaders who organized the hearing maintain that "hundreds of thousands of people are having their rights infringed" in the Baltic countries. Vyacheslav Bakhmin vouched that the Russian Federation president and the Foreign Ministry intend to prevent "by all legitimate methods" the passing in the Baltic countries of laws "discriminatory" against ethnic Russians.

Vyacheslav Bakhmin believes, however, that the problem of "fellow countrymen" in the Baltic states consists not only in the unwillingness of these countries' leaders to grant all former Soviet citizens their citizenship. He recalled that a whole series of treaties on cooperation with Latvia, Lithuania, and Estonia have not been ratified even by the Russian parliament. "Instead of threats and empty rhetoric frequently heard of late it would have been better by far to make specific decisions," the Foreign Ministry spokesman told the parliamentarians.

Speaking in the hearings, Deputy Culture Minister Mikhail Shvyrkoy [title as published] voiced complete readiness to make "specific decisions" and suggested that the deputies secure money from the budget for "the interdepartmental organ for relations with fellow countrymen." In his words, today's Russian schools and theaters in Latvia or Lithuania "are not what they should be." "Schools subordinated to Russian departments should be created there, and special budget money should be channeled," as Mr. Shvyrkoy explained his idea. True, the Culture Ministry spokesman recognized that in discussing a similar project, "that side" recalls, not without grounds, that there are no Latvian, Lithuanian, or Estonian schools in Russia itself. Mikhail Shvyrkoy mentioned besides that there have been cases where money appropriated for Russian communities in the Baltics "for culture" were spent "not quite as specified."

After a long discussion of "the rights of Russians abroad being infringed" one of the participants in the hearings suddenly asked the speaker: "What are we going to do here in Russia so that all the finest specialists do not leave?"

Duma Passes Law on Handling Radioactive Waste

LD0707114794 Moscow ITAR-TASS World Service in Russian 1055 GMT 7 Jul 94

[By ITAR-TASS correspondent Vladimir Taranov]

[Text] Moscow, 7 Jul (ITAR-TASS)—The State Duma adopted a law on "state policy on dealing with radioactive waste" at its first reading. The law is aimed at ensuring safety for the present and future generations, and protection of the environment as radioactive waste is collected, transported, treated, stored, and buried. The

law lays down the necessary provisions for work, the aim of which is to prevent any negative effects on people and the environment.

The law bans imports of nuclear waste from other countries to Russian territory. Article 50 sets up criminal responsibility for violation of the laws on dealing with radioactive waste. In particular it says that infringement of the provisions set out in the legislative acts regulating treatment of and dealing with radioactive waste without a relevant license, as well as concealment of information concerning radioactive waste and radioactive contamination of the environment caused by such infringements, will entail charges in accordance with the criminal code of the Russian Federation.

Regional Affairs

Tatarstan Opposes Russian Draft Regional Policy

LD0607230394 Moscow INTERFAX in English 2125 GMT 6 Jul 94

[Text] Tatarstan's Vice President Vassiliy Likhachev told Interfax in an exclusive interview that the draft [Russian state regional policy] did not take into account the opinions of the regions. "Its concept must be cardinally changed and all constituent members of the Federation must take an active part in shaping the strategy and tactics of Russia's regional development," he said.

In its current form, it does not meet the requirements of Russia's renewal and democratic development, he said.

Tatarstan proposed that the document reflect interregional cooperation, have a provision on the restoration of the Council of the Heads of the Republics, and provide for the establishment of a public council at the Ministry for Nationalities and Regional Policies, consisting of representatives of the regions.

Likhachev said that if the draft regional policy reflected the federal interests alone, the regions would reject this document.

Stepashin on Krasnodar Counterintelligence Efforts

LD0607220494 Moscow Russian Television Network in Russian 1900 GMT 6 Jul 94

[Report by correspondent D. Dolgov; from the "Vesti" newscast]

[Text] [Video shows Stepashin at news conference] This is probably the first visit to Krasnodar by the head of the secret department over the past few decades. Sergey Stepashin regards the Kuban as an important region at which foreign special services are gazing fixedly today. During the past six months, Kuban counterintelligence operatives have neutralized an agent from one of the Middle Eastern countries. An extensive spy network carrying out active intelligence work against Russia was also discovered. Material of a scientific nature was obtained, the economic effect of the application of which, according to experts, will amount to over $2.5 billion.

Having become Russia's outpost in the south, the Kuban is seen today by criminal structures as a convenient channel for smuggled goods. Accordingly, Stepashin was appreciative of the Cossacks' wish to act in defense of Russia's borders.

Shumeyko: Potsdam Accord on Kaliningrad Open-Ended

LD0607190894 Moscow Ostankino Television First Channel Network in Russian 1200 GMT 6 Jul 94

[Report by correspondents Vlada Vishnevskaya and Stanislav Chekalin; from the "Novosti" newscast]

[Text] [Announcer] Today Vladimir Shumeyko is ending his trip around Kaliningrad Oblast. Today he met his constituents. The present chairman of the Federation Council was elected to the upper chamber of the Russian parliament by Kaliningrad Oblast.

[Vishnevskaya] The subject of Lithuania became one of the main ones during this visit. It was devoted to the talks between Vladimir Shumeyko and his Lithuanian colleague, chairman of the Seimas, Ceslovas Jursenas. They not only discussed bilateral problems but also the status of the "Yantar" [Amber] free economic zone.

[Begin recording] [Shumeyko] It is impossible to resolve this problem without working it out with our neighbors, I mean with the neighboring state. We have agreed upon the fact that it will be best of all if this zone will be a comprehensive one, agreed with our neighbors. Then it will develop. [end recording]

[Chekalin] Speaking on local television, Shumeyko stated that the decision of the Potsdam conference on Kaliningrad Oblast is open-ended and cited the relevant documents. This is a response to the statements of some Lithuanian politicians regarding an allegedly 50-year-long term for this agreement.

Shumeyko Ends Kaliningrad Visit

LD0607210794 Moscow Radio Rossii Network in Russian 1900 GMT 6 Jul 94

[Text] [Announcer] Today Vladimir Shumeyko, the chairman of the upper chamber of the Russian Federal Assembly, concluded his working visit to Kaliningrad Oblast. Our correspondent Gennadiy Sablin reports:

[Sablin] Vladimir Shumeyko described his trip to Kaliningrad oblast as extremely useful. This assessment should be first and foremost applied to the results of a meeting held here with Ceslovas Jursenas, the chairman of the Lithuanian Seimas. The sides both agreed to exchange parliamentary delegations in autumn and achieved progress in tackling such a sore problem as the

transit of Russia's military and civilian freights through Lithuania. At a news conference Vladimir Shumeyko recalled once again his initiative of putting the issue of an extension of the term of office of the Russian legislative branch of power to a general referendum. He stated firmly that in the event that Boris Yeltsin puts forward his candidacy for the presidency at the next elections, he, Shumeyko, will resolutely support this candidature and will not put forward his own.

In conclusion, I would like to note one more new idea of the speaker of the upper chamber of the Federal Assembly. This is the idea on the necessity to create an emergency commission with extensive powers to resolve the nonpayment crisis. Vladimir Shumeyko intends to put this question to the president immediately upon his return from Kaliningrad. Today there are virtually no enterprises that are not in debt to the power engineering and transport industries, which, in turn, are raising their tariffs to survive and relying on those who can still pay, Shumeyko said. It is like a vicious circle. The way out of this circle lies in writing off these debts, because no one can repay them anyway. To bring the economy out of its impasse, emergency resolute measures are needed at the very top level, Shumeyko stated.

Chernomyrdin Visits Perm Defense Industry Plant

PM0707084994 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 94 p 1

["Own information" report under the "KRASNAYA ZVEZDA and News Agency Correspondents Report" rubric: "Viktor Chernomyrdin Visits Defense Industry Workers"]

[Text] Perm—The Russian prime minister is familiarizing himself with the state of affairs at enterprises of the defense complex, which comprises just less than 60 percent of Perm Oblast's industrial potential.

Yesterday he visited the "Permskiye Motory" Joint-Stock Company, where he familiarized himself with production of engines for Proton rocket complexes and long-range aircraft and with the economic problems of the joint-stock company. Despite the serious slump in the sector, Viktor Chernomyrdin nevertheless rejected an initiative by those who live near the Kama to organize a rocket and aerospace production complex in the region capable of taking over the output of Ukrainian enterprises. It is necessary to cooperate, he said, and not cut ourselves off, while this is possible.

Chernomyrdin Ends Visit to Perm

LD0607184294 Moscow ITAR-TASS World Service in Russian 1440 GMT 6 Jul 94

[By ITAR-TASS correspondents Leonid Bagdatyev and Gennadiy Yezhov]

[Text] Perm, 6 Jul—Viktor Chernomyrdin has ended his working visit to Perm Oblast. After visiting a number of defense enterprises, the head of the Russian Government told the ITAR-TASS correspondents that "this visit, like others, has helped in determining the priorities in restoring the productive and intellectual level of the Russian military-industrial complex". These will be set out at the next session of the Council of Ministers and they will be considered by parliament.

In the evening Viktor Chernomyrdin left for Moscow.

Sterligov Airs Chechen Problems, Concerns

LD0507155294 Moscow INTERFAX in English 1311 GMT 5 Jul 94

[Text] The chairman of the Russian National Assembly, former KGB General, Aleksandr Sterligov has declared the emergence of a Russian-Chechen consultative council. Sterligov told a news conference in Moscow that the council was called to employ citizens' diplomacy in preventing the escalation of conflicts in the North Caucasus. It was formed when a delegation of Russian "patriotic movements" visited Groznyy at President Dudayev's invitations.

Sterligov said one of the reasons of the trip was concern about the growing risk of a conflict between Christians and Muslims, which would inevitably lead to a Russian-Caucasian war. "However the meeting with Dzhokhar Dudayev highlighted the similarity of positions on many issues, including the country's future and the place of the Chechen republic in Russia," Sterligov said. "President Dudayev has balanced judgements and approaches to all problems, on both the internal affairs of the Chechen republic and the external ones concerning all of Russia," he said.

Sterligov said one of the main mistakes of the Russian leaders was reluctance to accept nationality affairs for what they are. "One shouldn't and musn't treat General Dudayev, a Soviet officer who commanded a strategic air force division, as a bandit constantly threatening the interests of Russia," Sterligov said. He believes that Moscow's policy towards Chechnya is evidence of the duplicity of Russia's current diplomacy. "How is it that the Georgian people can have sovereignty and the Chechen people cannot?" Sterligov asked.

"Groznyy is prepared to have negotiations in Moscow. It is Moscow that is unprepared to hold talks with Groznyy," Sterligov remarked. He said that President Dudayev had agreed that the sole legal way of normalizing the situation in the country was to convene a congress of people's deputies. Sterligov believes that the congress must assess from the legal point of view all the developments in the country since the moment when the results of the referendum on preserving the USSR were ignored and then disband itself and declare the return to the traditional form of government Zemsky Sobor (the Assembly of the Land).

Sterligov intends to brief the Federal Assembly and the presidium of the congress of people's deputies on that initiative.

In the meantime the Chechen Foreign Minister Shamseddin Yusef has called for the immediate normalization of Russian-Chechen relations. He said in an interview on Tuesday that the blame for the three years of abortive negotiations rested entirely with the Russian leaders.

"It is time they stopped looking at the Chechen republic through darkly-tinted glasses. It is time to understand that together with Russia we can not only normalize the situation in the North Caucasus, but resolve many economic problems, which is far more important than political ambitions," Yusef said.

'Special Regime' in Dagestan Extended 6 Months

LD0707085994 Moscow Radio Rossii Network in Russian 0500 GMT 6 Jul 94

[Text] A special regime aimed at strengthening law and order has been extended for another six months in Makhachkala, capital of Dagestan. Interfax has been told at the city's main directorate of internal affairs the reason for this is a continuing activity of armed bands.

During the period of special regime, about 3,000 crimes were registered in Makhachkala and only slightly more than half of them were solved. The special regime was introduced in January 1994 when during the election campaign some candidates to the deputies of the Russian State Duma fell victims to criminals.

Pacific Fleet Radioactive Dump 'Poses No Danger'

LD0707114394 Moscow ITAR-TASS in English 1026 GMT 7 Jul 94

[By ITAR-TASS correspondent Sergey Borovkov]

[Text] Petropavlovsk-Kamchatskiy July 7 TASS—The situation at the radioactive waste dump of the Pacific Fleet where a leak took place in June poses no danger for residents of the nearby Kamchatka settlements. The radioactivity level does not exceed permissible norms, TASS was told on Thursday by Boris Kopylov, chairman of the Kamchatka nature protection committee.

Several days ago a group civilian and military experts checked the dump and said radioactivity was normal there. An analysis of water and soil samples near the site also confirmed the data.

Civilian experts are now preparing another inspection which is being delayed, according to Kopylov, by bureacratic procedures of allowing unathorised personnel to the military object.

Kopylov said that his committee tries to keep the situation under control to avoid new emergencies.

International Affairs

Kravchuk: Army To Build Partnership With Russia, NATO

LD0607141794 Moscow ITAR-TASS in English 1301 GMT 6 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev 6 July TASS—Ukrainian President Leonid Kravchuk said the Ukrainian army will develop partnership both with Russia and NATO.

Speaking at a meeting with Kiev military garrison officers in Kiev on Wednesday as part of his election campaign, Kravchuk did not rule out the possibility of joint actions with the Russian armed forces.

"But most importantly, the Russian side should know that it will deal with the Ukrainian Army, not its (Russia's) adjunct," he said. "We favour relations of partnership, mutual understanding and respect not only with the armed forces of Russia, but NATO as well," he continued.

"Unfortunately, Russia seems to have been ignoring us lately. However, it looks at the West through Ukraine. This is true not only of military, but also other mutual unresolved problems," he added.

Kravchuk said the government has developed a social welfare programme for the military. It calls for higher wages, housing, family assistance and a number of privileges. The president stressed the need to modernise the armed forces and put them on a professional basis in the future.

Speaking about the political situation in the country, Kravchuk pointed out that if he is reelected, he will act decisively in accordance with the law. "I will find ways and strength to call to order those who try to cheat the president and the state," he said.

Envoy Views State of Relations With UAE

AU0507121994 Kiev URYADOVYY KURYER in Ukrainian 30 Jun 94 p 9

[Interview with Oleh Semenets, Ukraine's temporary charge d'affaires in the United Arab Emirates, by Andriy Chyrva; place and date not given: "Emirates Will Help Us"]

[Text] It is better to have many friends than none at all. This is also the opinion of Oleh Semenets, Ukraine's temporary charge d'affaires in the United Arab Emirates [UAE]. Our correspondent asked him about what keeps the embassy going and what the prospects of relations between the two countries are.

[Chyrva] The relations with the Emirates have lately become closer and more fruitful. How did they develop?

[Semenets] Diplomatic ties between Ukraine and the UAE were established in October 1992. In April 1993, Ukraine's governmental delegation, headed by Ukraine's prime minister, visited there. During the visit, the desire of both countries to maintain relations at the level of embassies was confirmed and main trends for future cooperation were specified. From 1 January 1993, the Embassy started its work. Incidentally, it is our first embassy in a Persian Gulf country.

[Chyrva] Why did Ukraine start establishing relations in the region from precisely that country?

[Semenets] The UAE is a federation of seven emirates that united in 1971-72. They hold approximately 10 percent of the world's explored oil reserves, and this became the foundation for their economic development and the intensification of their political role in the region. The country pursues an active peaceful policy, maintains friendly relations with many countries of the world, and is an active member of international organizations. In the economic sphere, despite the fact that oil reserves, which are particularly abundant in the Abu Dhabi Emirate, will suffice for at least 100 years, the leadership of the country headed by Sheik Zayid bin-Sultan al Nuhayyan is conducting a policy of diversifying the economy and reducing its dependence upon the oil-related situation in the world. Such branches as trade, banking, building, transport, and communications are developing vigorously, as well as power engineering, water supply systems, metal processing, metallurgy, ship repairs, light and foodstuffs industries, agriculture, and so on.

A favorable climate has been created in the country to attract foreign investments for the fulfillment of various projects. Several free economic zones have been created (Djebel Ali and Fujaira) with extremely favorable conditions for investors. Over a short period of time, the UAE turned into a country with an advanced infrastructure and a liberal external political legislation.

[Chyrva] What tasks has Ukraine's Embassy in the UAE set to itself?

[Semenets] The tasks that conform to our external political and external economic concepts are as follows: To extensively inform the local leadership, public, and business circles about Ukraine and its possibilities. We begin to be perceived as one of the major European countries, a responsible member of the world community, and a potential business partner.

It is important to establish trade and economic ties between the two countries and to create a legal foundation for the relations between Ukraine and the UAE.

[Chyrva] What spheres of cooperation between Ukraine and the UAE are most promising?

[Semenets] The sphere of building—participation of Ukrainian enterprises in the fulfillment of individual projects, supply of metal framework and other building

materials; in the metallurgical sphere—participation in the building of medium- sized enterprises, supply of raw materials, some types of machinery and equipment, for example, heavy automobiles KrAZ [Kremenchuk Automobile Plant], the supply of some types of chemical products, especially those connected with the needs of the oil-and-gas sector, environmental protection, in particular, from oil spills, and so on. Work on the advancement of products of the [Ukrainian] military- industrial complex to local and regional markets may be promising.

The first Ukrainian international exhibition, which was recently held in the town of Sharja, played an important role. However, for the time being, the Emirates' businessmen and investors are showing moderate interest in emerging directly upon our market and are mainly offering re-export to Ukraine of consumer goods, foodstuffs, and so on.

[Chyrva] Do you encounter many difficulties in your work?

[Semenets] The establishment of trade and economic relations between Ukraine and the UAE is starting practically from zero in the conditions of the Emirates' mature market with its high competition and limited local consumption. On the other hand, our emergence upon the market of the Emirates, as a major regional trade center, may, in the future, ensure orders for Ukrainian producers not only from Persian Gulf countries, but also, for example, from southern Asia. This requires the permanent presence in the UAE of highly skilled Ukrainian trade and economic personnel. Besides, there need to be Ukrainian companies and enterprises in the UAE, something that may only be done if they show vigorous activity and establish ties with local intermediary companies.

Over the years of transition toward market relations, we should have assimilated the culture of conducting business and, simply, human relations—its absence scares away potential partners. The deficiencies in public relations that the Ukrainian Embassy and local businessmen have experienced with Ukrainian producers and ministries, which, as a rule, do not even find it necessary to respond to requests for information, point to their lack of interest in contacts, if not something worse.

One last thing. There is a series of issues, essential for the development of bilateral trade and economic relations, that Ukraine's embassies abroad are unable to influence. These include the creation of a stable political situation in Ukraine and providing favorable conditions for external economic activity for both Ukrainian producers and foreign partners, including guarantees for safe business in its various aspects. One can hardly expect rapid development in Ukraine's trade and economic relations with foreign countries as long as these questions remain unresolved.

Visiting German 'Economic Experts' Promise Support

AU0607172094 Kiev URYADOVYY KURYER in Ukrainian 5 Jul 94 p 2

[Report by Oleksandr Sashko: "Germany Is Ready To Assist"]

[Text] A delegation of German economic experts has been visiting Kiev. It includes representatives of the Federal Ministry of Finance, the Federal Ministry of Economics, and the Ministry of Foreign Affairs. They had meetings with high-ranking representatives of the Ukrainian Government and parliament and also with officials of the IMF and World Bank missions in Ukraine.

The meetings were held to get first-hand knowledge of the economic situation in Ukraine and of the course of economic reforms on the road toward a market economy and also to maintain close contacts between the Governments of Germany and Ukraine. The FRG is quite keen on seeing Ukraine as a politically stable and economically prosperous state. For this, Germany has already given Ukraine considerable assistance: In addition to export credits, provided in large amounts (1,500 million German marks [DM] in 1992-93 and DM300 million in 1994 in the form of credit guarantees), there are programs for housing construction (DM755 million) and retraining (DM23 million) of Ukrainian servicemen returning from Germany, as well as considerable consultative assistance (DM25 million in 1994).

The delegation concluded that there are quite good prospects for increasing the volume of export-import guarantees on the part of Germany in the event of the negotiations between Ukraine and the IMF being successfully completed. The signing of an accord between Ukraine and the IMF would result in Ukraine being granted further credits, for example, from the World Bank. This would help Ukraine lay the foundations for restructuring its economy and normalizing its economic situation. The German delegation promised that Germany would continue to provide support for Ukraine to achieve this.

Moroz Discusses Nuclear Arms With PRC Envoy

AU0607110594 Kiev HOLOS UKRAYINY in Ukrainian 2 Jul 94 p 1

[Unattributed report: "The Chairman of Ukraine's Supreme Council Meets With the Diplomatic Corps"]

[Text] The questions of intensifying ties in various spheres were discussed during the 30 June meeting between Chairman of Ukraine's Supreme Council Oleksandr Moroz and Chinese Ambassador Extraordinary and Plenipotentiary in Ukraine Zhang Zhen. Despite the vigorous development of ties after the declaration of Ukrainian independence, said O. Moroz, their level does not yet correspond to the potential of the

two countries. The visit, in September 1994, to our country by PRC President Jiang Zemin will constitute an important step in the further development of friendly relations between Ukraine and the PRC. The ambassador congratulated the Supreme Council chairman on his election to the post and conveyed to him the greetings from Chairman of the Standing Committee of the National People's Congress Qiao Shi. Asked by the ambassador whether the putting on the agenda of Ukraine's Supreme Council of the question on the temporary suspension of the transfer of nuclear weapons from the territory of Ukraine means a possible cancellation of the nonnuclear status, the Supreme Council chairman said: No. It is only a change of methods that is possible, but not the essence of the issue.

This topic also interested Romania's ambassador extraordinary and plenipotentiary in Ukraine Ion Bistreanu, who was received by chairman of Ukraine's Supreme Council Oleksandr Moroz on the same day. They also discussed problems of development of cooperation between the countries. Touching upon the unlawful actions by the Supreme Council of the Crimean Republic, Ion Bistreanu stressed that his country believes that the relations between Kiev and Simferopol are Ukraine's internal problem. Oleksandr Moroz said in this connection that, in a few days, a parliamentary group will leave for the Crimea in order to find possibilities for a peaceful coordination of the Crimean Constitution with Ukrainian laws. He personally is against the use of extreme measures.

German Study Highlights Dangers of Nuclear Power Stations

LD0607180894 Berlin DDP/ADN in German 1307 GMT 6 Jul 94

[Text] Berlin (DDP/ADN)—The environmental hazards posed by Ukrainian nuclear power stations are still mounting. A study on environmental pollution in Ukraine by the German Institute for Economic Research (DIW), Berlin, says that there are delays in the supply of equipment and spent fuel rods can no longer be exported to Russia. Fuel rods are stored temporarily in the grounds of the nuclear reactors and the stores are frequently filled to capacity. There are five nuclear power stations with 14 reactor blocks in operation in Ukraine. They meet 30 percent of the country's electricity requirements.

The destroyed reactor at the Chernobyl nuclear power station is also causing concern. Even now the concrete casing cannot completely prevent the release of radioactivity. Parts of the foundations are also sinking, arousing fears of radioactive contamination of ground water and the Dnieper. According to calculations by the Ukrainian Government, which are difficult to assess, a new concrete casing would cost 3.5 billion German marks.

The DIW says that 12 percent of the area still shows radioactive contamination of the soil of more than one curie of Caesium-137 per square km. This equals the highest level to be measured within a short while after a catastrophe in Western Europe. A total of 200,000 people have been officially resettled away from contaminated areas, but 2.8 million people, including 500,000 children, are still living there. Altogether 47,000 square km of agricultural land and half that area of forests are contaminated.

Pakistani Foreign Minister Arrives in Kiev

LD0607184794 Kiev UNIAR in Ukrainian 1425 GMT 6 Jul 94

[Text] Kiev, 6 Jul—Asif Ahmad Ali, foreign minister of the Islamic Republic of Pakistan, has arrived in Ukraine on his first visit. He was met at Borispol airport by Ukraine's Deputy Foreign Minister Oleksandr Makarenko and by other officials. Asked by UNIAR about Pakistan's priorities in cooperation with Ukraine and implementation of the agreement on Pakistani assistance in the search for and repatriation of Ukrainian prisoners of war who fought in Afghanistan, Mr. Ali said: "Since it is the first official visit to Ukraine, its purpose is first of all to talk with our Ukrainian colleagues and determine areas of bilateral cooperation. As for the search for prisoners of war, we are very sincere and active in dealing with this issue and working together with the respective offices in other countries involved in the problem. For example, we have been instrumental in returning two Russian prisoners of war. We are keen to resolve the issue as soon as possible."

The foreign ministers of Ukraine and Pakistan held talks at the Foreign Ministry during which Mr. Zlenko pointed out the significance of this visit which will allow the two countries to deepen and enliven the development of their relations. Mr. Ali's planned meetings with Deputy Prime Minister Shmarov, External Economic Relations Minister Slepichev, and other cabinet officials will help to determine clearly areas of mutually beneficial cooperation between Ukraine and the Republic of Pakistan.

Anatoliy Zlenko briefed his Pakistani counterpart on political reforms in Ukraine, the climax of which is the presidential election on 10 July. However, Mr. Zlenko said it will not solve all the problems facing the Ukrainian state in the process of its development. The main one, he said, is to overcome the economic crisis.

Meets With Government Officials

LD0707060094 Moscow ITAR-TASS in English 0543 GMT 7 Jul 94

[Report by UKRINFORM correspondent Aleksey Trotsenko—TASS]

[Text] Kiev 7 July TASS—Pakistani Foreign Minister Sardar Asif Ahmad Ali, who arrived in Ukraine on an official visit, met on Wednesday [6 July] with the Ukrainian Prime Minister Valeriy Shmarov [title as received].

During the talks the sides touched upon issues of expanding and deepening bilateral relations between Ukraine and Pakistan.

The Ukrainian prime minister voiced the opinion that this meeting should have taken place earlier, which would have enabled the two countries to establish useful contacts by now. He said that the Ukrainian side regarded Wednesday's talks as a working meeting and therefore, invited heads of a number of key Ukrainian ministries and departments to attend to exchange information with the Pakistani side and outline advantageous prospects for bilateral cooperation.

For his part, the Pakistani foreign minister said that Pakistan was interested in the development of relations with Ukraine. He pointed out that Pakistan admits that a lot of time was wasted during which such relations might have been established. He pointed out that Pakistan is ready to expand and deepen bilateral contacts at a good pace both in the political and economic spheres.

Later in the day, the Pakistani Foreign Minister met with his Ukrainian counterpart Anatoliy Zlenko. During the talks held in a constructive atmosphere the ministers discussed a broad range of problems. They came out for the creation of a negotiating and legal basis for cooperation, mechanisms to ensure efficient cooperation between the two countries at all levels and exchanged opinions on main international problems of mutual interest.

Issues of trade and economic cooperation were discussed during the talks between the Pakistani foreign minister and the Ukrainian minister for foreign economic relations, Oleg Slepichev.

National Affairs

Kuchma 4 Jul News Conference

LD0607115194 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 4 Jul 94

[News conference by Leonid Kuchma, presidential candidate, with domestic and foreign correspondents in Kiev—live from the Ukrainian television studio]

[Excerpts] [Unidentified moderator] Good evening dear TV viewers and radio listeners. In keeping steadfastly with the principle of providing equal opportunities for all candidates for the highest post in our state, Ukrainian TV and radio are organizing for you a series of programs on those who got through to the second round of the elections. Today and tomorrow we will broadcast live the program 100 Minutes With the Press. Here in the studio are 70 representatives of the mass media, both printed and electronic. Among them are representative of 16 foreign agencies, newspapers, TV, and radio companies. We did not restrict anyone from coming here today to the largest studio of the Ukrainian TV. We are broadcasting live for the first time from a new equipment studio complex and will do everything so that our journalist colleagues here in the studio have the opportunity to receive replies from the candidate for the post of president of Ukraine, Leonid Danylovych Kuchma, whom we welcome today in our studio.

I think that Leonid Danylovych will say a few words in the beginning to representatives of the mass media and then everyone will be able to ask any question.

[Kuchma] Thank you. I liked your speech at the beginning when you spoke about equal opportunities for all the presidential candidates. I hope that by the time the election is held this will indeed be the case. I am happy to meet you and thank many of you for such an honest and objective analysis of this pre-electoral campaign. I am also ready to answer honestly and frankly all your questions. I am ready to cooperate with you. [passage omitted]

[Unidentified correspondent] [word indistinct] NATSIYA newspaper of the all-Ukrainian political union, State Independence of Ukraine. Two short questions: In your view, which factor is most important when building any kind of state, national or economic? The second: Are you prepared to sacrifice your life for an independent Ukraine?

[Kuchma] Thank you. I will begin with your second question. Yes, I am ready. I will tell you honestly and frankly that it is really a sacrifice to launch into this in today's situation, because the economic situation in our state is catastrophic. My program says we are on the verge of a national catastrophe. I never, so to speak, rejected the national idea, but I will say always and everywhere that a strong, sovereign, and independent state can only be built when it is economically strong.

[Moderator] Thank you. Volodymyr Lyaskolo, correspondent from Ostankino TV company.

[Lyaskolo] Leonid Danylovych, some newspapers have already printed maps of Ukraine and they are similar, so to speak, to a scoreboard divided in half from Kharkov to Odessa, where the east supports one candidate and the west the other. There is a threat that Ukraine will be split if it continues to be in a state of such a continuous electoral campaign. This threatens to split the country. Some are inclined to blame the candidates for this. Is this true or is it just some scam during the course of the pre-electoral campaign? What is the real situation?

[Kuchma] I think there is no doubt among the people here that this is just a propaganda stunt. On the contrary, I have always said and will continue to say that we are obliged today to look for values that unite us. The most important unifying value is to build a democratic and independent state, where all the inhabitants have equal rights and opportunities, regardless of nationality, religion, and so on. I reject all the propaganda stunts and agree on this point with Oleksandr Moroz, who, during a previous meeting with all the candidates, said that it is necessary to call people to account for setting off one

region against another. I think the people who are saying these things should think about what they are saying and should bear responsibility in the future for this before their own people. It is also probably understandable that the economy is indeed pushing us towards this, and that it happens because of the economic dislocation. Every person is thinking how to feed his family tomorrow. These questions do not arise.

[Zorya] Sergey Zorya, Zorya Information Agency. Mr Kuchma, for a long time I racked my brains over what communism is. It seems that it could be Soviet power plus Kuchma. This is a joke [break in transmission] you supported, quite impressively, the left-wing. How do you explain this? I thank you in advance for your reply.

[Kuchma] I am surprised by your inexperience or your deliberate garbling. During the presidential elections, the left-wing voted for Oleksandr Moroz.

[Malinkovich] Vladimir Malinkovich, Radio Liberty. Certain political circles say you are handing Ukraine over, that you want to put Ukraine on its knees before Moscow. In particular, this was stated by Mykhalchenko, one of the president's advisers, I think in a TV studio. What is your true attitude to a union with Russia and with CIS countries, etc?

[Kuchma] In my view, our statements and politicians are keeping silent about the fact that there is already a political union; it has been signed—the CIS was signed in 1991 by our President Kravchuk—and this union has been ratified, it is a political union. From the first days of my premiership, I always tried to fill this political union with economic content. It is a great pity that they did not understand me in Ukraine, because the economic union envisages the most important thing: identical prices within this economic space which means the salvation of our market.

During the election campaign I went to Ternopol. I got a mixed reception in the western regions, but when I met with the working class at their enterprises, I saw that people clearly understood. I went to the Ternopol combine factory, which today is at a standstill with all the combines blocking the factory yard. About 1,000 people attended the meetings there. They put similar questions to me such as: Mr Contender, you want to hand us over to Russia. I asked the director of the enterprise: Why is the conveyor at a standstill? He replied there were no component parts. I asked where the components came from. He said 78 percent of them came from Russia. I said that was no problem; our factories in Ukraine that are not in debt are obliged to manufacture such components, but both time and money are needed for that.

Secondly, why is there no market? He replied our collective farms cannot buy them because they have no money. You also know only too well that the collective farms have nothing in their accounts. That is how successfully we have conducted our agricultural policies. And where are the other markets; in Russia and in the other republics of the former USSR. It accounts for up to 80 percent of the market. I carried on questioning him, asking why not sell the products to the West or some other place. He said the reason was because they will not buy the goods. That is the truth. These people understood me. Please tell me, what can Ukraine do with the Ternopol combine enterprise and with many other goods that we manufacture? We must face the truth and proceed from this, both in political activities and everywhere else.

[Kharchuk] Nina Kharchuk Rukh-press. [passage omitted] Who specifically are your political adversaries in Ukraine today?

[Kuchma] I never describe my colleagues in the presidential race as adversaries. I always describe them as rivals. I have no enemies in Ukraine. If anyone is making an enemy out of me, it will be on his head. The only thing I wish is for every working person to have a normal standard of living in our state. As for those who refuse to work, their place is also known. [passage omitted]

[Horban] Yuriy Horban, Ukrainian radio. Leonid Danylovych, I would like to ask you about nuclear arms, a question which concerns not only our public, but also the outside world. While prime minister, you said in a statement to Ukraine's Supreme Council, and I quote: The issue of our participation in the Nuclear Nonproliferation Treaty must be viewed only in the same package with START-1 and the Lisbon protocol. Later, in a different statement the same month, you said something contrary: I believe we were wrong to sign this ill-starred Lisbon protocol. Why did we sign it? Thus, within a short space of time, you made two opposing statements.

[Kuchma] Pardon me, by no means [words indistinct]. To be fair, when I spoke at a closed session in May [1993]—closed, my foot! The entire world knew by next morning! I spoke not as a prime minister but as a citizen of Ukraine, as a people's deputy. I gave things their proper names. Even now, I say it is good that we did not ratify this treaty in May last year, because in this way the world got to know us and got to know how much this whole procedure costs.

You know, even according to U.S. experts' estimates, this program costs no less than $3 billion. Now tell me, what is Ukraine left with? That is why I spoke and said: Let us solve this problem in a package. Unfortunately, it is still a vox clamantis in deserto. Yes, the Americans are giving us—are going to give us, through their companies—$350 million. So, we will dismantle a warhead and take it to Russia. With luck we will get nuclear fuel, or fuel for our nuclear stations, in return. Then what? What are we going to do with those 130 liquid fuel missiles, with a guarantee that has expired? We don't even have the know-how to utilize heptyl! We don't even have the plants to neutralize the missiles! We still need to blow up silos eight meters deep! Must I not say it? I have to shout it out!

We need to address the international community and say: Good people, Ukraine cannot cope with this problem alone. I understand that we are supported by

Japan who knows what it is like. Europe is close by—what if something happens in a silo? You must understand that if a missile does not have a warhead, it will not receive proper attention. What if it explodes? The missiles are old. The sooner they are removed, the better for Europe, primarily Ukraine. So let us deal with this problem.

[Hutsul] Oksana Hutsul, MOLODA HALYCHYNA newspaper. Leonid Danylovych, I shall begin with two quotes. In the Sunday program, Without Protocol, you attacked the attempts by certain political forces to play the card of Ukraine's regional confrontation in the presidential race. At the same time, I have the 2 July issue of Kharkov's SLOBODA newspaper, in which you are quoted as saying: If you Kharkovites do not come to the polls, you will continue to be ruled by radical nationalists from Lvov and their foreign mentors. Is that what you said, and are you not afraid you might become a regional president? You said people were receptive to you in Ternopol, but they did not vote for you; you saw the voting results.

[Kuchma] Do I look like an idiot? How could I have said that?

[Unidentified voice] Sue the paper! You will be a millionaire! Good idea!

[Kuchma] How long must one keep suing? As they say, that is not for a tsar to do. I have always said the contrary; we must look for unifying values in our state. I believe in it. I do believe there are differences between western and eastern Ukraine, and western Ukraine should understand eastern Ukraine. Why? Because the entire industry, 80 percent of Ukraine's capacity, is based there, and it is idle. Most of the enterprises are idle. If workers are not getting their pay for months, what are they to do? The economy must be the rallying point of today's unification.

[Lytovchenko] Viktor Lytovchenko, UKRAINA I DILO newspaper. When you were leaving the post of prime minister, you said more than once that most of your undertakings were stifled by parliament, but what becomes the prime minister does not always become the president. Have you already chosen a suitable scapegoat to blame for your failures?

[Kuchma] Too bad there are so many people here; otherwise, I would deal with you man-to-man. Do not look for something that does not exist; and you know it does not. You know about our president's cooperation with the parliament at that time...

[Klymenko] Borys Klymenko, EFE news agency. The law on foreign investment adopted in Ukraine is regarded by foreign businessmen as a very progressive one, but your rivals say your decrees have put obstacles in the way of foreign investment. Do you admit a mistake, and what will be your steps to encourage foreign investment in Ukraine?

[Kuchma] No, I do not admit a mistake. If you set up a $5 joint venture to export things from here rather than invest into our economy, who needs such an investment? Give me an example! Where are they, these businessmen in Western or other countries who you say are eager to invest in our economy? These are illusions. As for the future, I always say we need to create conditions for Western investors to believe in us. We need to convince them that there is no way back, only forward, that the next Supreme Council will not expropriate anything. That is why some laws need to be passed, laws which the Supreme Council or anybody else cannot change, except perhaps in a referendum.

[Minina] Vira Minina, POLITIKA I CHAS magazine. When you took office in the government, you were welcomed with confidence and hope, but soon these feelings were put to a severe test. In December 1992, you abolished indexation of all monetary incomes, and shortly after, introduced wage regulation. Needless to say, it had an extremely negative effect on the incomes of an overwhelming majority of families. The problem is not even that of financial, but of moral casualties. The government left the people alone with inflation. My question is this: How do you view these measures today? Can you explain why they were taken?

[Kuchma] I want you to be objective, esteemed lady. I never abolished indexation. On the contrary, my government was the first to index savings, and it was my government that conducted indexation in August. As for wage regulation at enterprises, I still believe that the volume of output and labor productivity are interdependent.

[Minina interrupts] [words indistinct]

[Kuchma] We always conducted indexation of the minimum wage and pensions, always!

[Muzhychuk] Arkadiy Muzhychuk, Ukrainian television. Can you name the three most important decisions by your cabinet which had a positive effect on the Ukrainian economy? If none, why and who is to blame? You also said agricultural policy is going astray, and that nobody is buying Ternopol combine harvesters. How do you see the development of our policy in the countryside? If nobody needs Ternopol harvesters, does Ukraine need Rostov harvesters?

[Kuchma] Nobody is buying Rostov combine harvesters, either. Unfortunately, not because they do not want to, but because they have no money to buy them with. They would have bought foreign ones, but again, no money. Equipment in the countryside is not being replaced at all today. It is very bad. As for government decisions, my government's achievement was managing to avoid landslide decline in production under colossal inflation, as you very well know. Leonid Makarovych [Kravchuk] spoke the truth, at last, when he repeated my words at a meeting with Russian journalists. He said: What other country could have survived a 1,000-fold shock rise in prices? I am grateful to him for repeating my words. My

government's achievement was the fact that despite the 1,000-fold rise in energy prices last year, production declined only by 7 percent. This year, there is no such inflation, yet production has declined by 40 percent and most enterprises are idle.

[Veresen] Mykola Veresen, BBC. You often talk about your future eastern policy, your CIS and Russian policy. Could you tell us how you see Ukraine's policy towards the West, and how you are going to cooperate with the West, considering several agreements have already been signed—one with the European Union, the partnership with NATO, etc.

[Kuchma] In my speeches and programs, I talk no less about cooperation with the West. Believe me, I am very well aware of the fact that Ukraine cannot exist in a common economic area, technologically retarded as it is. I hope that the West will exercise good will in this respect. Why is Russia, rushing to join the G-7? I understand why. For the same reason I will welcome everyone coming in goodwill with open arms. However, for that Ukraine's task and duty is to create conditions for them to come.

So far we have heard only declarations. I cannot cite a single specific and solid case of anybody seriously approaching us. You know the technological backwardness of our metal industry. Why are Zaporozhye automobile works buying plates abroad and not from the neighboring metallurgical combine? Because its plates are only good for making boxes. It is through no fault of their own, but due to the fact that the former Soviet Union did not invest a kopeck there. There are thousands of such cases, from oil refineries and chemical plants to agriculture. That is why I always say Ukraine must become a link between latest Western technology and our reality.

[Strolutska] Larysa Strolutska, UKRAYINA MOLODA. [passage omitted] Have you made up your mind about what we are going to build, and how do you envision it?

[Kuchma] What country do I want to build? I want to build a country where a working person can live in a normal way. There are examples of socially-oriented economy. You do not need to go far, it is here in Europe: Germany, France, Sweden. That is what I would like to build.

[Ishchenko] Natalya Ishchenko, KIEVSKIYE VEDOMOSTI. How do you explain the fact that Crimea voted for Leonid Kuchma and not for Leonid Kravchuk?

[Kuchma] Lately, I feel like asking this very respectable paper of yours, why has it become so subservient in the past few months? Crimea voted for a president of Ukraine, and this is an undeniable fact. Let us put an end to insinuations over Crimea. It will do good to Crimea and Ukraine as a whole.

[Malysh] Mykhaylo Malysh, UKRAINA magazine and the press service of the Ukraina Democratic Association. Leonid Danylovych, you are a proponent of a single economic area and you say the main cause of our problems is the break-up of economic ties and the disintegration of the Soviet Union. If this is true, how can we organize Ukraine's economy, when 80 percent of it is military- oriented? Are you looking to the Russian market? In that case, Ukraine will be doomed to producing bad quality goods for a long time, except for, perhaps arms for Russia. Another thing, it seems you have no faith in your people and our country's independence. A year ago, while drafting the economic treaty, you agreed to an economic union with supranational structures in which Russia would have 70 percent of the votes, Ukraine—20 percent, and Belarus—10.

[Kuchma] Where do you get these figures from? Good people, correspondents, remember yourself!

[Malysh] From POST-POSTUP.

[Kuchma] POST-POSTUP? I do not consider it a newspaper. This is gossip. On the economic union again, the economic union is not a whim of Kuchma's or anyone else's. It is a reality. Why do you think we have not been admitted to the European Union? Why do they say they will consider us in 1998? Why did America unite with Canada and Mexico? Why are the Baltic countries uniting? Why are East European countries leaning towards us today? Are you aware of this? They are leaning towards Ukraine, Belarus, Moldova, Russia, Kazakhstan, Uzbekistan, and all former Soviet republics. Look at Hungary. [passage omitted]

[Leshyk] Viktor Leshyk, Hravis Television and Radio Company. Do you know of any vote-rigging in the first round of presidential elections? Do you think independent television companies such as ours are being closed down to prevent people from watching [words indistinct]?

[Kuchma] I would like to thank all foreign media, which indeed have reflected the true nature of developments in this country. I will be grateful to them and will support them to the end of my life.

As for vote-rigging, I know some facts, but I am not a Sherlock Holmes and will not say anything about it. I would like the law to work in our state, and if there is a law on elections, state authorities should be there to enforce it.

As for Hravis, I think everybody can see that it was done on purpose. Unfortunately, we showed the entire world there is not a whiff of the democracy we are talking about. Democracy exists only for the people in power. About 1,500 people have already been dispatched from Kiev to press on the regions. Everybody knows that, why aren't you writing about it? It is one thing when there are campaign groups at work, and quite another when it is me against the state machine. [passage omitted]

[Popeski] Ron Popeski, REUTERS. Leonid Danylovych, you are trying to tell everybody that when you were

prime minister, you were a true market reformer who was not understood by parliament and ministers. How are you going to convince voters that your economic policy is radically different from the president's? Last week we heard your stance on the fixed exchange rate, and that was not very different from the president's stance.

[Kuchma] I have always emphatically opposed the fixed exchange rate, I do not know what you are talking about. I do not need to convince anyone. Life itself is proof enough. What is the state of the economy? Collapse. I will tell you, it will be a Pyrrhic victory. The elections have brought too many economic and political problems to light. One will have to pay for everything. With what? The budget is empty. After the past five months, budget receipts are at 26 percent. Do you know about the deficit-free draft budget for this year? We stunned the world! The income in this budget, initially 418 trillion [karbovantsi], after being kept in the Cabinet of Ministers was suddenly inflated by 100 trillion with a dash of pen, while the expenditure is over 800 [trillion]. Thus, the budget deficit is now at 34 percent and the production decline continues! So what are we going to have today? We must all think about it! A war is being waged today!

[Andreyeva] Viktoriya Andreyeva, NEZAVISIMOST newspaper. [passage omitted] In your government, you were working next to [Ihor] Yukhnovskyy, [Viktor] Pynzenyk, and [Yuliy] Ioffe. They were perceived as reformers, democrats, and even fighters against the mafia. They all left your government. My question is, who are you going to work with if you are elected?

[Kuchma] Why don't you put this question to Yukhnovskyy, Pynzenyk, and Ioffe, and let them say why they left the government? Ioffe is already writing a book, and writing the truth, too, which some do not like. Viktor Pynzenyk—he did not leave because he differed. He left a week before I did. I always told him, Viktor, if you and I had worked together in manufacturing, and you had practical, not just academic, knowledge, you would be priceless today. As for Yukhnovskyy, I have always respected him.

[Unidentified correspondent] You recently gave a very warm welcome to the captain of the Russian military industrial complex, Arkadiy Volskiy. Can you tell us what this was about? Was it an expression of your regard for him as towards today's colleague from the Russian Union of Industrialists or for a former friend who was an aid to the chief of the KGB Yuriy Andropov. If you do not reply to that question, perhaps you can confirm or refute the information that during Volskiy's visit to Kiev almost $3,500 were paid for a table at one of the restaurants in Kiev's Podolskiy district?

[Kuchma] You should have first asked me how I received a similar chief from Belarus. That is my affair. Second, I was not at any table and know nothing about it. It would be very simple to verify this. [words indistinct] that is why at a meeting with the director corps there was a news conference by the Union of Entrepreneurs and Industrialists. Therefore, if you have friends in the security service, who perhaps have some assistants there, you may check this.

[Ilchenko] Volodymyr Ilchenko, URYADOVVY KURYER. What is your attitude to the present government and who would you like to see as Ukraine's prime minister?

[Kuchma] There already is a prime minister. He was proposed by the current president and confirmed by the Supreme Council. I should, as they say, respect him. As for [Vitaliy] Masol, I said everywhere, even though everything is always being twisted, that I respect him as a professional, but do not accept the fact that the head of the government should be elected one week or 10 days before the presidential elections.

[Oliynyk] Oliynyk, MOLOD UKRAYINY. Let us have a little time- out on some general questions. People are very interested in you personally. There are many legends and rumors. Is it true you are a candidate of technical sciences and professor of Dnepropetrovsk University? I think I know about the candidate, but if you are a professor of Dnepropetrovsk University could you tell us what you wrote your dissertation on and which subject did you teach or do you currently teach at university?

[Kuchma] Regarding the candidate's dissertation it is top secret. The point is [pauses; laughter from the audience] are there candidates. Please ask a question of somebody who can go and have a look and can reveal the secret.

[Unidentified correspondent] [name indistinct] INTERFAX Ukraine. I would like to ask you a question about the economy, but we will return to that; first, about privatization and devaluation during the process of reform in CIS countries. Could you explain something about the present state of these processes in Ukraine, and, if you become president, how in your view could this process develop? How could you speed it up? Thank you.

[Kuchma] I would like to state my point of view about why the reforms did not happen last year. I am deeply convinced that in conditions of inflation and hyperinflation there should be no talk of reforming production. Tell me, which intelligent Ukrainian or foreign businessman is going to invest money here? If it is inconvenient to produce today, then what about last year—and now they have added the taxation policy, which is driving everybody into a corner. On the contrary, today private capital is worse off than state capital.

I think that the most important boundary in the economy, and in external inflation, has been practically crossed. As far as energy sources are concerned we have moved closer to world prices, first and foremost as regards oil and gas. Therefore, today all paths are open

for us to go forward normally. I again reject the idea of (?revolution). Russia also tried to jump into capitalism by means of a revolution, and everyone suffered for nothing. Today, there are grounds to reform the economy normally and in a civilized manner.

[Unidentified correspondent] Leonid Danylovych, I have trustworthy information of the impending reduction in the broadcasting time by Ostankino TV in Ukraine. What is your view on this? [passage omitted]

[Kuchma] I would just like to ask you, including Zinoviy Volodymyrovych, if in our state we do not make our state tv such that everyone will want to watch, then people will continue turning to Ostankino, where there is a higher professional level. That is how it is, is it not? [passage omitted]

Pashkevych] Oleh Pashkevych, Vykhid [Way Out] program. Leonid Danylovych, if you win the presidential election, what position in your team will you assign to Volodymyr Hrynyov?

[Kuchma] I always say there are many means, but not enough ways, and you seem to have a way already! I have never spoken a word to Hrynyov about the position he should take in the team. I would rather see him as a political figure than a practitioner. I see on television that a new party has been formed, and he is the leader. He is a scholar, too. [passage omitted]

[(?Nehmadyan]) Natalya (?Nehmadyan), UNIAN news agency. I have three small questions to you. First, what is the difference between your program and Leonid Kravchuk's; could you please clarify it point by point? Second, the votes of which eliminated candidates are you counting on? And third, if you become the president, will you insist on abiding by the commitments of the trilateral statement on the reduction of nuclear arms in Ukraine?

[Kuchma] I will begin with the last one. By all means. There is no going back. We must abide by all of our international agreements, including those on nuclear disarmament. Ukraine has a bad image in the world; although, we are being told we are good. We need to abide by our commitments. As for Leonid Makarovych's program—I told you I was happy that all candidates suddenly made their programs resemble mine. Even if I do not win the election, although I am sure I will, these candidates will have to carry them out, right? The only thing I disagree with Leonid Makarovych on is where he says that Ukraine already occupies a worthy place in Europe. Do you realize that our worthy place is among the bottom, next to Serbia and Croatia? Therefore, I disagree with this worthy place.

We are merely laying the foundation of our state today, and there is no need to bounce words around. We need to win respect, we need to stop walking about with our hand stretched out. What kind of worthy place is this when we are begging from everyone? Even from Russia! Do you know that Ukraine's debt to Russia today is already $5 billion? This year, for gas alone, we owe $1.1 billion! I want to build a state. I want the lying to stop in our state. I want people to be told the truth about the economic situation in our state, to be told who is who. I am sure that I will do it. I will form a commission of experts, and invite foreign experts as well, to analyze what has been done in the past three years, even if only to avoid repeating mistakes and tell people who is who. I am not afraid of it. I am not saying I never made mistakes. But I never made strategic mistakes.

[(?Naholovko]) Viktoria (?Naholovko), POSTFAKTUM agency. Leonid Danylovych, speaking of the truth, could you clarify this: You spoke several times about a number of documents you submitted, while prime minister, to the Supreme Council, the president, and the procurator's office. You were talking about a large number of documents. Leonid Kravchuk said that eight were passed on to the procurator general's office. Two of them concerned the oil-refining industry. He also said these documents were your invention. Could you clarify that?

[Kuchma] I never mentioned the number of documents. I said that hundreds of inspections were conducted and the results were filed to the procurator's bodies. Both I and Leonid Makarovych know the names involved, and I would not like us to evade the truth. Is the Black Sea Shipping Company case not enough? I promise all the facts will be published and properly assessed. I promise this to the entire Ukrainian electorate.

[Bulavko] Vitaliy Bulavko, DILOVA UKRAINA newspaper. Esteemed Leonid Danylovych, it is obvious from your election program, and your numerous speeches to the electorate, that you are firmly in favor of preserving and consolidating the economic union with CIS countries, above all, with Russia, which is why you are supported by your voters. Do you rule out Ukraine's ability and need to form mutually beneficial economic unions with other European countries? What is your attitude, in particular to the union of the Baltic-Black Sea region, including possibly, the Baltic countries, Belarus, Ukraine, Turkey, and some East European countries? [Kuchma] I would like to say that we must have good relations with other countries in the West, in America and elsewhere, in every aspect, economic and political. We must create conditions for Western capital to come to us, but I want to say something about the economic union. Perhaps it was my mistake to say the word—union. I should have thought about something else—community or something like that. I suppose people are allergic to the word—union.

The economic union project was based on two things: same prices for all, and Russian, Belarusian, or Ukrainian entrepreneurs. Why? Because even Russia is losing its markets. Look at Russian exports in 1993: nothing but raw materials. The other thing about the economic union concerns customs barriers. Customs must exist, of course, and their tasks are known internationally, but the form in which they exist here cannot be described by the civilized term—customs.

[Meshchenko] Oleh Meshchenko, Ukrainian Television Channel Three news service. The Radio Liberty correspondent in Brussels, Rostyslav Demchuk, reported the manager of the Kherson shipyard, Mr Sobin, signed a trilateral contract in which the second party was a Belgian company [name indistinct] and the third party—Liberia's [name indistinct]. According to the contract, the Kherson shipyard handed over four ships, worth about $3.5 million in total, to the Liberian side. The amount had to be paid to the Belgian company for building a casein plant in Kherson Oblast. However, only $800,000 were sent to Belgium. Mr Sobin ordered $600,000 of this amount to pay for a villa and a luxury car. The Radio Liberty correspondent also reports that the contract was supervised by Mr Lobov, head of the Cabinet of Ministers currency and credit committee, at the time when you headed Ukraine's Government. Did you have anything to do with this dubious transaction...

[Kuchma interrupts] The absurdities you invent!

[Meshchenko] ...and what do you know about it?

[Kuchma] Lobov had nothing to do with currency affairs in our state. Please, understand his position: He was a cabinet minister. If something happened, the procurator's office is there to deal with it. If any official, including myself, is involved, the procurator's office should deal with it, and everybody must face the law, so that you boys would not write dirty stuff.

[Kharchuk] Hanna Kharchuk, Rukh-press. [passage omitted] What do you think about being Ukrainian, is it a nationality or an occupation?

[Kuchma] Whatever you think it is. [passage omitted]

[Starozhytska] Mariya Starozhytska, Vikna [Windows] television program. Leonid Danylovych, we have spoken a lot about strengthening relations with Russia. Could you clarify which Russian personalities you are counting on for support?

[Kuchma] I have had good relations with Russian Prime Minister Chernomyrdin, and we should preserve them. He has a good understanding of what economy is about, and I can see, watching him from Ukraine, that he is trying to distance himself from politics. Generally speaking, Russia is Russia, and the Russian people are the Russian people, while Ukraine is Ukraine. Our relations must not be made to benefit certain politicians, but to benefit our nations.

[Pohorelova] Iryna Pohorelova, RESPUBLIKA newspaper. Leonid Danylovych, I would like to return to the question of your relations with the government. You began your campaign with the notion of the president being the head of the executive power branch. Today, when the government is almost formed by Kravchuk and Moroz, you will inherit a ready-made government. Will you settle for it, or, as an adherent of that notion, followed by your voters, will you revamp the structure according to your own model? Another question: Does your team know that the Communist plenum has decided, as reported by news agencies, that the Communists will support you in the election?

[Kuchma] I already said what my position was on the government. I respect Vitaliy Masol, I will cooperate with him, and Masol, as I heard and read in the press, is a follower of market reforms. As for certain actions being taken today, and the formation of the government, I do not understand it. As for the Communist plenum, I have somewhat different reports. I read—what was it, UNIAR—no, I saw a television report yesterday, there was this brunette there who said the Communists were categorically against Kravchuk, but did not support Kuchma either, except for points on which their program coincided with mine. They said it was up to individual Communists in the state to make up their minds. That is what I heard.

[Katsman] Volodymyr Katsman, from the press service of New Ukraine. Leonid Danylovych I have three short questions. First, several months ago many entrepreneurs joined your bloc with Volodymyr Hrynyov—the Interregional Bloc of Reforms. Unfortunately, you probably forgot to say something to them during your pre-electoral campaign about your program on entrepreneurship. I think that you could correct this mistake today. Second, what is your attitude toward the following development of events which has been forecasted by many sociologists?: disruption of the presidential elections and Oleksandr Moroz becomes the number one figure in Ukraine. Third...

[Kuchma interrupts] As far as the first question is concerned, I am the president of the Union of Industrialists and Entrepreneurship. You understand that very well and that is my reply. I always supported and will always support honest business. There is no question about that. I am deeply convinced, also, that if these people do not create a million jobs in Ukraine, then it will be very bad for our country. I would like the privatization process, especially small privatization, to move forward faster so the problem with communal ownership is overcome. Practically everything today in the towns is being leased. Commerce is on lease, the service sector as well. We cannot even think about additional jobs. Do you think you get better service in a leased shop or they are interested in something? So many revolutions are needed in this sector. Although I support the revolutionary path of development, I am deeply convinced, I am honest about this, that Ukraine requires a strong presidential power, despite what people say to me.

God forbid if these elections do not take place for whatever reason, and there are very many reasons; there would be chaos in our state. The Supreme Council is today incapable of taking upon itself the responsibility over you. It is incapable and I will not explain why.

[Unidentified correspondent] The press service of the Republican Party on behalf of the newspaper

VYSOKYY ZAMOK, Lvov. [passage omitted] Kuchma, they like you a lot in Moscow. Gaydar says he likes Kuchma, at news conferences Zatulin says the same. Please comment on his statement that we need a President Kuchma in Ukraine and his statement at a news conference that today the resolution of all questions, in particular economic problems, depends not on the economic union but on the creation of a federation. Another question, you say that you will invite Volodymyr Lanovyy to the government if you are elected president. Are you trying to buy Lanovyy's votes? Thank you. [laughter]

[Kuchma] Dear madame, I would again like to confirm that my dream, which is still a dream, is to build a sovereign, democratic state, without any federations. As far as what people are saying, you know how our people talk. I could show you what Leonid Kravchuk said in Lvov. I will say it again dear madame, it is not necessary to look for an enemy in one another. Objective reality is required.

About Gaydar, I do not know when he said it. Previously he said the Ukrainian model was useless and so on. Today he is saying something to the contrary, because life gave him a good shove. With regard to Lanovyy, I am always surprised by how phrases are pulled out from any speech I make and from any news conference. Then there are rumors and all kinds of insinuations to the community to the people. At the news conference, I said I am prepared to cooperate with Lanovyy and Pynzenyk. Have you not heard this or have you forgotten? You have hear; it is good that you have heard. [passage omitted]

It is our misfortune that Ukraine was never a state, that we do not have talented economists, financiers, bankers, and lawyers. This group is only being formed. Economic science is being formed today and it is good that such young people like Lanovyy, Pynzenyk, and many others are coming in. Intelligent people are also now working in my team. They came voluntarily to work. Therefore, we need to unite everything that is good rather than alienate people. As I said at the news conference, I have had some problems with Lanovyy—we have diverse views. Further, I said that I reject the shock-therapy method which Lanovyy used to profess. It is practically Gaydar's method. I said that Gaydar had also changed today and that Lanovyy also changed. He no longer says that we will live better if suddenly today all state property becomes private. There are economic laws and also natural laws, and one cannot jump over them. We have already built socialism out of feudalism.

[Mirochenko] Viktor Mirochenko, UTAR TV corporation. If you become Ukraine's president and insist on a strong presidential power, you could enter into a conflict with the present parliament. How do you see a way out of this conflict?

[Kuchma] The parliament is a popularly elected body. We are obliged to (?be subordinate to it). We are obliged to. To each of them, every time I meet any deputy, I say that during the parliamentary election campaign, we all promised to work mainly on the economy, so let us work on the economy. I am counting on good sense.

[Mirochenko] Will you take this step?

[Kuchma] I will consult with you on this. Esteemed colleagues, I really would like to cooperate, but I am troubled about the same thing that troubles you: the contradictions and confrontations that exist in the Supreme Council. It is also not complete, because 112 deputes are still to be elected. Will they come or not? They, then, discuss the constitution. I am not talking about the fact that by this law on local elections we practically ruined the branch of the executive power. Who needed this? If we do not renew it then it also will be bad. [passage omitted]

[Levytskyy] Myroslav Levytskyy, NASHE SLOVO, Warsaw. Esteemed Mr Kuchma, our meeting began with such a catastrophic tone. You said we are on the verge of a national catastrophe. [passage omitted]

[Kuchma] I would like you to return to the programs of all seven candidates. They all said the economy was catastrophic, really. I was the first to say this, then they all repeated it. It is true that Leonid Makarovych Kravchuk kept discreetly quiet and said that there could a war.

[Blyshchyk] Lyudmyla Blyshchyk, DEMOKRATYCHNA UKRAYINA. Leonid Danylovych, you probably saw, in the course of your premiership, the impact of Russia's policy towards Ukraine regarding the argument of the energy carriers tap. So my question is to you both as a specialist and politician. To begin with, as a specialist, can you tell me please what your assessment of the Ukraine's prospects are of creating, the possibility of creating, our own nuclear fuel cycle. And, as a politician, does Ukraine need it?

[Kuchma] Ukraine can be conquered in two ways. Firstly, an economic diktat, turning off the tap and prices. Second is normal, civilized cooperation enjoying equal rights. I think Russia has to be interested in this. I think it a great pity that, calling themselves democrats, certain Moscow politicians, as it were, right away forget this once Ukraine is mentioned. It is a great pity.

As for the nuclear fuel, it seems to me it is a very costly enterprise. We have every possibility for this, one should think. Today, however, we are far too poor to be doing this. For tactical nuclear... [pauses] the tactical nuclear weapons are seven years worth of fuel plus the strategic are about three years, I think. In that time, as they say, (?one either becomes a prince or a pauper). This problem, nevertheless, should by all means be dealt with. This, firstly, is necessary from the standpoint of science and the standpoint of Ukraine's further development.

[Medvedev] Oleh Medvedev, KOMMERSANT-DAILY newspaper and BUSINESS AND POLICY [word indistinct] magazine. Leonid Danylovych, can you tell me this

please: You have now stated that you support strong presidential power in Ukraine. It would appear, however, that in your way will be the old and imperfect Constitution that has been patched over and over. Will you be resolute enough, if need be, to ensure the adoption of a new constitution by way of a referendum, as Mr Yeltsin did in Russia? Thank you.

[Kuchma] Yes, either by a referendum or by there being a constitutional assembly, for example. It has to be done, at all costs, without putting it off, immediately. The final conclusion, though, can probably be made after 24 July, once the second round of deputies' election to the Supreme Council is over. We either finish the election or we will be left to pick up the pieces, as it were, of which I am also afraid. That should be done.

[Talaban] Viktor Talaban, (?IRNA) press international news agency. Esteemed Leonid Danylovych, it has become an axiom that there are no clean politics, but even in the dirtiest of politics, you know, there is a certain boundary beyond which is considered indecent and amoral. In this connection, I would like to ask you two questions and hear a clear, specific answer, without diplomatic prevarications and without generalizations. Question number one: Lately, the statement has been re-emerging in your pre-election appearances that there is the corruption of the upper echelons of power and of the mafia structures. You then declare you have nothing to do with it. Can you explain this to me please: What, from the point of view of morality, is your assessment of your own position in respect to the former Deputy Prime Minister Yuliy Ioffe's fate? He resigned. You had him fighting the petroleum mafia and then threw him out to be devoured.

Question two: Who, what creative associations, organizations, unions, or independent press—newspapers, magazines—caused so much trouble for you that you oppressed them by the taxation policy and astronomical prices for paper, printing materials and services, so infamously decreed by you? At the same time, in some point of your premiership you created an imperial information service under the Cabinet of Ministers, which was to report on the prime minister's reformist course. [words indistinct]

[Kuchma] Yuliy Ioffe, I think, is now in Ukraine and I would like you to put this question to him, whether I backed him or not when, indeed, he was being told every day that his health is in such a state that he had to go right now and [word indistinct] You understand, he was under so much pressure from every side. It was not just so, as it were,—I cannot remember—that I said it somewhere after all that the following has lately (?become form): Everything happening in our Ukraine has been mandatorily reported by the security service and Internal Affairs Ministry to the parliament and its chairman, prime minister, and president. So, of late, I have only been given [information about] road accidents. This is for you to understand it better. So do ask Yuliy Ioffe and he will tell you the truth, which is exactly what he is writing about.

As for setting up the information service at the Cabinet of Ministers, I was and I remain its supporter in that it is needed, by all means.

As far the prices for paper are concerned, you really cannot seriously affirm that it is me who sets the price for paper. My dear, where, for goodness's sake, are we buying the paper? So why do you not go to Russia and negotiate a cheaper sale? Prices are made in Russia, as I have already told you and once again repeat, starting virtually from April, under the agreement signed by our president and the former Prime Minister Fokin in Dagomys in May on transition to trade at world prices within the CIS. Are you aware of this? Then please ask this question... [pauses] you will be able to ask this question tomorrow.

[Talaban] What about your decree, your infamous decree? There was the presidential directive on tax concessions for creative organizations and unions, that you cancelled. This is what I was asking about.

[Kuchma] I have said everywhere and every place and would like to confirm today that there must be no concessions for anyone. If the press is to be supported, there must be state support for the press, because right behind this then is—I do not mean the press, for goodness's sake—serious fraud. Look, as soon as organizations, rich organizations, were made exempt from taxation, commercial structures were at once set up under them. What were they selling?—vodka, tobacco, cars etc. All this has happened in the press too. How many of them grazed, as it were, at the side of Chernobyl and how many funds there were! Why? Because it was made exempt from taxation.

It should be how it is in all the civilized world. If you are a representative of the press, you well know there are no concessions. If the state is to support the press, it must support it or any other organ, for there not to be any loopholes.

[Moderator] I would like us to return to the questions which representatives of foreign mass media may want to ask. [passage omitted]

[Korol] Ludmila Korol, UNIAR. Leonid Danylovych, authorities of the main branches of power have not been defined; the new main law, the Constitution, has not been confirmed. You are a candidate for the post of president of Ukraine. Suppose you have been elected president, but the president's powers are limited to representative functions. What would you do in that case? Another question: One of the points of your electoral campaign is strengthening links with Russia, especially because of Ukraine's large debt to Russia. Everyone knows the Russian Government has not taken upon itself the liability for the debts of enterprises. Why,

when you were Ukraine's prime minister and had such extraordinary powers, did you not do the same?

[Kuchma] First of all, you should know that the president of our state, according to the current Constitution, is the head of the state, the head of executive power. Is that so? Therefore, he has as many powers as that. Only political will is needed to implement those powers. If one wanted to suppress all the candidates during the electoral campaign, including the legislative Mr. Moroz, it has been done. I will have enough power in order to work.

As for the debts, I would like to return to my premiership. When did the debts appear? Those debts appeared before my premiership—and you know the reason—when the payments started to clear only through the single center in Russia, the Central Bank of Russia. On the second point, I have not signed for any debts of enterprises, none whatever. On the contrary, I wrote a report to the Supreme Council asking them to create a commission straight away and to analyze all the bags—you know which: Russia used to receive our payment slips and put them into bags and later our dealers opened those bags and took them out. I would like to appeal once more to the Supreme Council to analyze everything sufficiently—all those processes. I agree that the state should not be held responsible for the debts of its enterprises.

[Samiylenko] [Samiylenko of the (?weekly KRAY). Please, tell us your attitude toward the state symbols of the Ukrainian state, the blue and yellow flag, the trident, and the national anthem: Ukraine Is Not Dead Yet. What is your attitude regarding Ukraine's having a state language? Do you support all these or do you have some doubts about them? Do you want to change anything?

[Kuchma] I treat with respect the decision adopted by the Supreme Council, [word indistinct] the issue of the Constitution. I have said everywhere, in the east and west, if we want to find the unifying values in our state, let us look to our flag. Our democrats, mostly from western Ukraine, say the Cossacks are a symbol of independence, democracy. I ask them: Do you know what flag the Cossacks had? Therefore, let us think and maybe make the flag a tricolor one—the two existing colors and let us add the raspberry color. I only said it as a proposition. As for language, it is a difficult question, but my attitude is known. As they say in industry, science, and education, we should accept two languages, as the status quo is. As for the state language, I have said also that we should have only one state language—Ukrainian. The state should provide every assistance in order to revive the national culture.

[Mazhenko] Mykola Mazhenko of UT-2's (?Vyshyk) program. Leonid Danylovych, you used to work for the space industry. Do you think Ukraine will ever fly into space? Another question: Leonid Makarovych likes to play chess, what game do you like?

[Kuchma] I have already mentioned games. Mr. Kravchuk is a good chess-player and Mr. Plyushch is a good preference-player. I am good at both games.

As for space, Ukraine produces today the most modern space rockets in the world. I am convinced (?absolutely), this can be confirmed both by America and France. If nations willed it, we could enter the space. Unfortunately, we are yet not allowed up there. I would like to appeal to the world community that Ukraine has the most up-to-date technologies and products. Why are we not allowed up there? Who does not? It has nothing to do with Russia. Do not you know, that we have been talking with Australia for several years about building a launching ground for rockets there? We have been told that it is as classified as proliferation of rocket technologies. What rocket technologies? It is space produce; these rockets will not be used for military purposes. If they are to be converted for military purposes, we would have to pay through the nose for that. Moreover, in Australia, [words indistinct] launches of space equipment as you know, such as communications, navigation, television, ecology, medicine and many others. Therefore, let us with your help try to get through to the space world.

[Kuchma] I would like to emphasize one more thing. [following passage in Russian] I know that your task, for all that, is to analyze without bias the current situation in our industry, because the situation with all the available heat boilers, the situation in chemical industry, in metallurgy, the situation with all the existing pipelines, the situation in nuclear industry is such that we should cry out loudly: Help! You should understand that over the past several years we have not been making any investments. This may lead to large-scale ecological catastrophes, even more disastrous than the one in Chernobyl. So, let us ponder over this. Let us put an end to discord inside Ukraine, let us get down to economy. Really, it will reconcile all of us. [end passage in Russian]

[Ivanov] People's television, Olha Ivanov. Esteemed Leonid Danylovych. As is known, one of the key points of your program is the restoration of economic ties with Russia. However, Leonid Makarovych [Kravchuk] is also not campaigning for any economic isolation [of Ukraine] in the world. So, what exactly is the difference in your stands as far as this issue is concerned? It is your attitude toward this issue which makes you lose votes in some regions and win more votes in other regions, so what is the difference?

[Kuchma, in Russian] The main thing is that words and deeds should never be at variance. I would like to give you several examples.

First, let us take all our oil processing industry. We have 65 million production units. Why not use these capacities at full capacity? Our plants are at 10 percent (?capacity). Just imagine that this is chemistry, and in a few years' time the equipment will have to be just thrown out.

In August last year I signed a document on turning the Lisichansk oil refinery into a joint-stock company and selling 49 percent of its shares to the oil producers in Tyumen, because 600,000 Ukrainians live there. The refinery will run at full capacity. It is also more profitable for the Tyumen oilmen to sell the oil processing products, but the most important thing is that the investments in the modernization of this refinery will be compulsory, otherwise the extent of oil processing here will be only 50 percent while in other countries it is already over 90 percent. That is to say, the price, if we buy oil from Russia at the world price, will be 50-percent higher than the world price.

[Words indistinct] Bashkirstan [Bashkortostan], Tatarstan, and the Kremenchug refinery. Relations between the state and the enterprise should only be maintained through taxes. It does not matter whose capital is invested if enterprises work better. But our practices are as follows: If this were U.S. capital it would be allowed into Ukraine, but not if it were Russian. Tell me, please, do people in Australia, the United States, or Canada ask who the capital belongs to? There are no enterprises whatsoever in Canada based on purely Canadian capital.

Take, for example, the Nikolayev aluminum oxide plant, which is the only plant in the former USSR providing semi-finished products for the aluminum industry. This is a most powerful enterprise. So, I would like you to know—you still know little—that the international organization for the production of aluminum oxide forced our plant out of Russia's market by reducing prices for aluminum oxide, raising prices for aluminum, and subsidizing their aluminum oxide enterprises. And Russian enterprises, in Bratsk and Krasnoyarsk, concluded an agreement with foreign enterprises. Can you say who the winner was? Could not they set up a joint-stock society? And there are thousands of such examples.

Do you know that Russia is not now buying our pipes but that Texas is? Good people, we are losing our market catastrophically. Where shall we go with our products? Let us ponder over this. Although I was engaged in the space industry, I walk with my feet on the ground, because it is necessary to feed 52 million people. [end passage in Russian]

[Moderator] [passage omitted]

[HOVORYT I POKAZUYE UKRAYINA correspondent] Leonid Danylovych, as prime minister and now as a presidential candidate you have declared and are still declaring war on the mafia. Today we have several times approached this theme but failed to receive a concrete answer. People are now saying that it is now very difficult to fight the mafia, and to fight it one should become its leader. Are you ready to make such a step if you become president?

[Kuchma, in Ukrainian] And what about our president? Is he the leader of the mafia?

I say this everywhere, and today I confirm this before the entire people of Ukraine: I am for a dictatorship, the dictatorship of the law. If a dictatorship of law were established here, there would be no need to ask more questions. Kiev should be the place to begin with, then the process will get under way, without fail, on a legitimate enough basis. We have more than enough laws. All we need is political will to start the ball rolling.

[Moderator] On the 99th minute of our meeting ...

[Kuchma, interrupting] I would like to have at least one minute for a concluding word.

[Moderator] That is exactly what I am going to do now, to give you this one minute, without any questions now, so that you can say whatever you want and to mention any points the journalists' questions have not raised.

[Kuchma] I would like to thank all of you for the good conversation. I believe we reached understanding, and the more frequent our meetings are in future the better. Am I right?

[Moderator] [Word indistinct].

[Kuchma] For all that, I would like to dwell in brief on the mass media. It is not by chance that I submitted a request to the Supreme Council. I also want the electors to know the following: there is a committee of equal opportunities—the Ukrainian independent center—and there are similar foreign centers also. I would just like to read something to you so that everyone can hear this. The only thing we can prove is this: The law lays down the principle of equal opportunities, but the presidential campaign of 1994 is not democratic. Here is (?data) for several weeks concerning every candidacy.

Finally, I would like to read this. It is the week before the election, but we have not found any information testifying to the fact that propaganda either in support or against any separate candidate has been intensified at Ostankino [television company]. [as heard] I have in mind the pro-Russian mass media being [word indistinct], particularly by Mr. Chornovil, the president's press secretary. Ostankino television put candidate L. Kravchuk first, and he was also given more air time. At the Rossiya channel, candidate L. Kravchuk also twice outstripped his closest rival, candidate L. Kuchma.

I would like to thank all of you for the good conversation. I would like to thank all the electors who voted for me in the first round. I would like all of us to ponder over our future. Truly, 10 July will be an historic day for Ukraine, because the state's economic and political course will be decided. Thank you.

[Moderator] I would also like to thank Leonid Danylovych [Kuchma]. I do not have time to mention other figures, and I will not do this now. Meanwhile, I would like to invite all journalists here to this studio tomorrow, where Leonid Makarovych Kravchuk will have a similar meeting with the press.

As for our television viewers and radio listeners, I would like to draw your attention to the fact that today and tomorrow they have one more opportunity to learn about the contenders for the high post of president of Ukraine, and on 7 July they will not only have a chance to observe this, but to take part in the program themselves. I invite everybody to join us tomorrow and also join our Hotline program on 7 July.

All the best to you. Till we meet again next time.

Kravchuk 5 Jul News Conference

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[News conference by President Leonid Makarovych Kravchuk for domestic and foreign correspondents, in Ukraine Television studio, Kiev—live]

[Text] [Moderator] Good evening, esteemed Ukrainian TV viewers and radio listeners. Ukrainian TV's larger studio tonight once again presents its program "A hundred minutes with the press." Meeting the press tonight is Ukrainian President Leonid Makarovych Kravchuk. The mass media have paid very much attention to this meeting, with 101 representatives of printed and electronic mass media in our studio tonight, including 20 representing foreign mass media among them. Because our number is so great in this studio and the time is the same as yesterday, I call on you, esteemed colleagues, to formulate your questions in a brief, concise, and clear manner. The floor is first given to you, Leonid Makarovych, for a short introductory speech.

[Kravchuk] As well as greeting TV viewers and radio listeners, I would first like to greet everybody in this studio and express the hope that our meeting will be useful and interesting. I hope that the questions that will be asked of me directly are derived from life, because the audience of journalists here is in the constant process of communication with people in oblasts and rayons and knows what interests them. I hope that our meeting will be held in a tolerant manner and will be interesting, and I will try and answer the questions that interest you and that concern the people of Ukraine. Thank you.

[Moderator] In our studio tonight, there probably are no less than 70 people who were here last night. There are, however, new guests. Perhaps, we should start from them. Vasyl Plyushch of LITERATURNA UKRAYINA.

[Plyushch] Vasyl Plyushch of LITERATURNA UKRAYINA. Leonid Makarovych, we know both from the previous and present pre-election campaign that you do not allow yourself to cast a shadow on any of your rivals or competitors, which, unfortunately, cannot be said about them. We also know your tolerance and openness toward the press, which could not have been said about our collocutor [Leonid Kuchma] last night. That is why, here is a question for openness: What is your assessment of last night's "A hundred minutes with the press" program in this studio by your competitor, Leonid Danylovych [Kuchma]?

[Kravchuk] You do start with an acute question which, to me, is difficult. But, as I said at the very beginning that I will try to answer all questions, this is exactly what I am going to do.

To begin with, two moments were not understood by me: The first was exactly why my opponent in his answers for some reason addressed me or referred journalists to me. I was not there. It will be possible to do so on Thursday, incidentally, when we are together. Questions can then be passed from one to the other.

Second, it can at least be said that the answers given there which concerned my involvement in the processes were in many respects imprecise or even distorted. That is why I may try and provide an answer in the course of our discussion.

Third, and now generally, it seemed to me that what you had last night was what can be described with the use of the Ukrainian sense of humour as a very constructive and very tolerant conversation based on the principle of mutual understanding. The culture of bilingualism was illustrated particularly colorfully. So I congratulate you.

[Moderator] Dear colleagues, I believe you will not be offended if we first give the floor to representatives of the electronic media, who have to file their reports without delay, during the course of our program. I invite Volodymyr Lyaskalo from Ostankino television to ask his question.

[Lyaskalo] Leonid Makarovych, we all understand that you somehow feel how Ukraine—the citizens of Ukraine—support you. Do you have any such feeling of support on the part of our compatriots—I do not like the word diaspora—those compatriots, those millions of Ukrainians who live abroad—in Russia, in Kazakhstan, where in their time they were cultivating the virgin soil and where they were building BAM [Baykal-Amur railway]. They are probably waiting for some special citizenship. I know, and we all know, how difficult it is for them to hear that Ukraine is a foreign country, and I will say with pride that the Ostankino reports from Ukraine's territory today are probably the only window through which they eagerly are exposed to any news—as newspapers are not regular now. Politicians, beginning with Stolypin, were moving peoples from one place to another. What should be done today to create some favorable regime at a family level, as far as cultural life is concerned, and so on?

[Kravchuk] Since we are having a discussion, I will dare to express my point of view which, first and foremost, says that there is a minor contradiction in your question.

Earlier, before the formation of Ukraine, they did not have a feeling that they were Ukrainians beyond the borders of Ukraine. Everyone was reduced to the same level and they were referred to as part of a single Soviet

people, although they lived on different territories. With the formation of Ukraine, people on this land began to mainfest the lofty feeling of citizenship, responsibility for their land and for their state, for the present day and the future. And I felt that those Ukrainians who live beyond the borders of Ukraine finally understood the simple truth that today they have their land, their homeland, although they live on the territories of other states. This is not their guilt. In the former Soviet Union they were settling people in such a manner that 70 million people today live beyond the borders of their ethnic territories, and today it would be impossible to get these people together on their territories.

Therefore, our policy is to create equal opportunities for all in Ukraine. These are not just mere words, and not just a statement. Today, I can say with responsibility that no one in our state experiences any restrictions as far as culture, language, nationality, traditions, policy, personnel issues, children's education, and the mass media are concerned. That is to say, people feel they are equal on our land. And if every state of the former Soviet Union, and not only the former Soviet union, conducts such a policy that Ukrainians living beyond our state, in Russia, and in other place will also feel as free and equal as they do here in Ukraine—and I am not exaggerating this—there will be no need at all to raise this question. They will travel freely, arrive in their homeland to breath its air, to meet their nearest and dearest, but they will live and work where normal human conditions have been created.

[Moderator] There are questions from the colleagues who are in our studio for the first time as to whether we should give the floor according to the list, or just to those who raise their hands? However, ladies first.

[Pohorelov] Not because I am a lady, but because I managed to be the first to raise my hand. Thank you. I am Irina Pohorelov, from the RESPUBLIKA newspaper. I am here, on your left-hand side, Leonid Makarovych.

[Kravchuk] Well, yes.

[Pohorelov] The time of your presidency is marked as the time of the preservation of peace and stability in Ukraine, and this won it high prestige abroad. Could you please say what, in your opinion, is the greatest evil today facing Ukraine—on the part of Russia, due to internal territorial and political instability or due to the absence of a strong executive power, which they have been talking about so much lately.

And there is one more question which needs no long answer: would you like to be supported by an electorate which expresses its support for you, or by one which supports you so as not to stand in the way of electing you the president, under the slogan that Kravchuk is the lesser evil in Ukraine? Thank you.

[Kravchuk] Well, first of all, I would not like to specify in such a clear-cut manner what danger or what evil, as you said, is facing Ukraine today, and its future. I believe that the most important and the most complicated issue is the socioeconomic one. When we solve this issue and bring the development of the economy on the rails of a transformed market economy, the difficulties will cease to exist. Because difficulties always exist in a society—political, cultural, and others—there are no grounds for their aggravation however when the economy is developing in a normal way. This is why the number one problem is the economic one: to get out of the economic crisis.

Of course, there are other problems as well, those of a political nature. For example, the powers of the authority structures, for example, at the local level, have not been determined by the legislation and the Constitution. We even do not have a law on the Cabinet of Ministers, we do not have laws which would regulate and vast powers in the newly elected chairmen of councils and executive committees. In other words, we are still to travel this road. Naturally, this complicates the political situation, the structure of the authorities, and the powers of the authorities and the possibilities of their functioning. But we can go through this if the Supreme Council adopts such laws without delay. By the way, there is a need for such laws.

As far as the external factors are concerned, of course, they exist in every country, but we should conduct such a policy toward that end, we should calculate the situation, the balance of political forces, the international situation as a whole, and not just boil down everything to one country only or to a group of countries, so that our policy would be coordinated with international principles, and would also be a policy of peace and stability. It is necessary to find constructive solutions through a dialogue, through the negotiating process. This refers to our neighbors, both the close and distant ones. Therefore, this depends not only on them but on us as well. Although I understand that they should also take into account the fact that Ukraine exists on the map of the world, that this is a state of democratic, civilized orientation and it is necessary to reckon with it and respect it. That is to say, there are various factors here, and they should be considered as a package.

Now, as far as the second question is concerned, whether I would like to enjoy the support of the electorate which, as you say, chooses the lesser of the two evils, I believe this is mainly the thesis which is being discussed in the top echelons of political structures, in the echelons of political parties and movements, and it does not reach the depth of the people, because the people measure the situation using other categories. In any case, not the categories of power or striving for power, but those of normal work, normal life, and normal conditions of providing their life both in terms of material and cultural well-being and in legal terms. This is why those forces, which divide society according to degrees of evil, they, of course, will probably not vote for anybody. Or, maybe, they will. Therefore, I pin no hopes on them whatsoever.

[Moderator] We have three sectors, on the right, on the left and at the center. Journalists, however, are seated according to their affiliation with this printed agency or another, rather than their political characteristic. On the right and on the left are representatives of the printed press and at the center are those of the electronic press. So now there is a question to you from the right, which means that (?the floor is requested by) . . .

[Hotovchenko] Viktor Hotovchenko of the Kiev editorial board of the DILO economic newspaper. Leonid Makarovych, many sociologists and experts now observe a strange phenomenon. It may be for the first time since the beginning of restructuring that the people are concerned at so lengthy a stabilization of prices and exchange rates of the karbovanets against some foreign currencies. It is not a secret that many believe it to be an artificial measure arranged, let us say, by your team and you personally, first for the parliamentary elections and on until the completion of the presidential elections. Can you calm the people down as to that prices will not go up and the karbovanets will not go down after the presidential election? And, generally, do you consider this stabilization to be a progressive process in the economy? Thank you.

[Kravchuk] You see, when the economy is in its transitional state, its transitional period, there are different situations, let us say, with regard to foreign currency, foreign currency exchange rates, credit and banking forms. They can change or mimic each other depending on the factors affecting them. In this case, however, owing to the tight credit and monetary policy, in particular in respect of emission, both the foreign currency exchange rate and prices were successfully stabilized. I can say the following: This is not linked to either the parliamentary or presidential elections. Going today to this meeting, I once again in detail looked at this group of problems together with Ukraine's premier and I can tell you that there is no link and that no price rises are on the cards. It is understandable, however, that, let us say, there may be changes in foreign currency exchange rates, and inflationary percentage points can undergo changes. Every country, by the way, has inflation. Countries where there is no inflation, are not found in nature. We, however, cannot see any reasons today to speak about radical changes in the situation. What I am saying is what I know as of today and what will happen in the near future.

[Moderator] A question from the left, Leonid Makarovych, from representatives of the foreign press.

[Veresen] Mykola Veresen of the BBC. I would like to ask you what the difference will be between, for example, you being president as of the 11th, or Leonid Kuchma being president. Thank you.

[Kravchuk] You see, (?wonderfully), the people of Ukraine know both Kravchuk and Kuchma. They know us not from, shall we say, any information packages from the outside which would be supplied via the mass media. They saw us at work. That is why, it seems to me to be one of those (?fortunate) occasions when the people can elect one of us, knowing precisely the capabilities of each of us, and give a precise answer to who did what and can do what, in terms of professionalism as a whole, in respect to both external and domestic policies, and to the capabilities of this person or another.

As for me, if I become president, I shall continue the policy of reforms, the policy of peace and concord with all the world's countries and a constructive and partner-like policy towards our neighbors. I shall emphasize and underline that we have to build an independent Ukraine ourselves, that we shall only be able to build it ourselves and that an attempt for someone to come and help us is an unrealistic one, which means nothing other than the loss of the capability to work oneself and the loss of the capability to govern one's own land and one's own state. I will pursue the policy of accord and spiritual development in Ukraine. As now, I will work to end corruption and stop profiteering and everything associated with this. In other words, there will be no jumps in my policy. There will be the enrichment of the course according to the situation that has been formed. There will be a policy towards harmony between the Supreme Council chairman and the prime minister, so as to show at the top floor that we work together for the sake of Ukraine and for the sake of its future, rather than making an attempt to influence it destructively from the very outset.

As for Leonid Danylovych [Kuchma], you will see what it will be like if he becomes president.

[Moderator] Leonid Makarovych, once again a question from the right.

[Blyshchyk] Lyudmyla Blyshchyk from the PRAVDA UKRAYINY newspaper. Esteemed Mr. President: The Supreme Council today accepted for consideration the issue of the state of privatization in Ukraine. What is more, at issue is suspending the activity of privatization bodies. The following information was heard: To date, 19 percent of state property has been privatized in Ukraine and as much as one whole percent of citizens have become owners. If this tendency remains, it is not difficult to calculate that, at the last count, it may happen that as many as five percent of Ukraine's citizens will become owners. Can you tell me please, what you think about this and if there is any other information that processes that are under way here?

[Kravchuk] The only thing I can say is that to stop privatization is an unrealistic task. Nor is it realistic to stop reforms in the economy of Ukraine, because, really, the process has gotten under way, as they say, and broad strata of the population and work force have joined in it. What is interesting is that the initiative in privatization is now coming from below, rather from above. I have dozens of examples of large Ukrainian enterprises being privatized on the initiative of their work force. For example, I have been to ZAZ, Zaporozhye Motor Works,

and the first question was: Will you help privatize us? Yesterday, I returned from Khmelnitskiy where I visited a works manufacturing transformers and other items: Give us an opportunity to privatize ourselves, they said. At a Vinnitsa diamond factory, its work force openly asked me simply either for the state to maintain it and ensure equal opportunities or, they were saying, let us go, because at their side those privatized are now working and living better, while you neither provide us with equal opportunities nor release us, as they say.

In other words, this now is the will of the people and the will of the work force. I can only agree that, yes, this privatization should be carried out justly, under control and openly. I do not in any way object against studying this question at the Supreme Council level and the government and at the level of local authorities, and supervising it.

Let us now look at it this way. Given now that authorities, chairmen, and councils, are elected by the people locally and their powers are not defined by law, can you tell me, please, who can stop economic processes and how, when everything that there is, communal and other property except for state property, belongs to local authorities. And if this issue is raised now, we shall encounter serious conflicts at the level of power structures and at the level of the enterprises' work force.

In other words, I am for supervising it and seeking justice. The slogan of stopping it, however, is unrealistic and is simply dangerous.

[Zorya] Zorya information agency, Sergey Zorya. Mr. President, yesterday Mr. Kuchma, having disowned the left-wing, explained that in his fervor he would even go further than the President of the United States. I am impressed by your program of social protection. Could you explain this in more detail? I would also like to add something from my personal life. In 1972, I was in Lefortovo prison. As far as I am aware, you at the time were in the Central Committee. In spite of this, I have respect towards your adherence to principle and would like to hear your views. One cannot put a black cross on the past but must take what is good. Second, your adversary or opponent portrays you everywhere as a Russophobe. What is your real attitude to Russia? [Kravchuk] There are many questions here and if I reply to all three in detail it will take up a lot of time. In relation to the fact that the situation has changed and those that were in Lefortovo and Solovki and also those who were in the higher echelons of power are building Ukraine today—if they are doing this honestly then they have found a common language. This is a very important factor in our time, but there are those who were not in prison. In the past, they fought for the state—Ukraine or Russia or some other state—and now they have moved away from this and have chosen a different path. Life puts everything into its place. Everyone should understand this. I should understand my own autobiography, my responsibility, and should know that everybody has past history. His role today is defined by what he is doing at this moment, how he serves the land, the people, the state, and Ukraine. You serve and I serve and that means that we are [word indistinct]. If one of us stops serving, then it means that he has chosen a different path of service.

With regard to Russophobia—today everybody is declaring their love for Russia and considers that if this declaration is made public then this is already a sign of winning votes. The point is we must, nevertheless, return to Russia itself—does Russia declare its love for us. We are always saying, almost servilely, that we need ties with Russia, we need business, spiritual, and everyday contacts and do not need cross-border hindrances. I am also saying this, but will also say that we need to say this to Russia. Russia looks at Europe through Ukraine and wants to build relations with Europe. One day we will wake up and will realize that Russia, in building ties with Europe, has suddenly noticed that there is a state—Ukraine, with a population of 52 million people—that is very important factor for it in the foreign and political, economic, and market sense. Only then will they become real and equal partners. I support this, and will do everything so that Ukraine and Russia become equal partners. Once everybody perceives this, it will become the first important step in a new stage of our relations.

Regarding social protection, I have the following position: Social protection is possible only on the basis of economic development or by means of printing money. There is no other way, but there is justice in this. Take for example, the law on pensions. For those who are on the lower rung of the pensions, we change the law and those who are at the top, their incomes are always increasing while the incomes of those on the lower rungs are reduced. There is no justice. Those who worked harder at work may give more and will receive less than those who worked less hard. So, nevertheless, there are the possibilities of legislatively altering the situation so that a just law is made to work, first and foremost for the benefit of those who are the least protected. We may also do this at the expense of the local authorities. We may provide assistance in forms other than monetary ways, such as differentiated assistance, material help, and help with food. It should not necessarily be the state or state structures that provide this but it could also be provided by various forms of commercial structures. All this should be defined and stimulated in such a way that the structure that is engaged in this, for example, the commercial structure, should have an interest in it. This is what we are talking about. But I am saying that until we adopt a law on labor, a just law on pensions and other legislative and law abiding acts, it will not be easy to do this. The system of social protection is precisely as I have described—the economy should work for the social protection of people.

[Kravchenko] I am Kravchenko, from the SVOYO DELO newspaper. Leonid Makarovych, your rival said here yesterday that Ukraine was on the brink of a catastrophe. Generally speaking, it has become axiomatic to say that our economy is on the brink of a national

catastrophe. Yet, visiting the Krystal production association yesterday, you came to the optimistic conclusion that there would be no death and there was no need to treat life with pessimism. But both the former and the latter point of view require some decision to strengthen our faith and put an end to this disaster scare. My question is, what guarantees of unification can you as a president provide, apart from declarations? The national idea is a rallying force, but, according to the Institute of National Strategic Studies research, it has little effect in the eastern oblasts. What idea or action can unite the east and the west and finally instill some social optimism without which no revival is possible?

[Kravchuk] I keep hearing about this national economic catastrophe, this abyss, and have been hearing about it for a long time. And after yesterday I understand that Leonid Danylovych even takes pride in having introduced the concept. Here is what I have to say. Indeed, I visited almost all oblasts in the east, south, and center of the country. In the west, I visited only Lvov. I can quote hard figures. In the past four years—you can check it—more has been invested in Ukraine's metallurgical sector and more has been done for its reconstruction than in the 15 years before independence. I can cite examples of really modern shops built at metallurgical plants to the latest technological standards. Take Avtozaz again. It has been struggling for 10 years with the Zaporozhets [car model], and has finally begun producing the Tavriya model. I have been there, and I have seen modern European- standard shops there. I mentioned Vinnitsa diamond factory. I went there four years ago, when all of it was ramshackle. Today, our diamond-processing technology is sold to Israel and other capitalist countries. And they are telling me at the factory that they only reached this standard after they became free, when they no longer had to agree everything with the State Planning Committee, when there were no restrictions other than financial ones. I am saying that technical and technological revamp is underway in serious sectors. Take, for example, the Lisichansk oil refinery. They are building completely new technologies which will increase the depth of oil refining, and they are being introduced. This is not just idle talk.

Yes, it is difficult. No doubt it is. But it is unfair to say that nothing has been done at all, that there has been no investments, and no steps taken. Either the person saying it is misinformed, or he is doing it on purpose in order to boast later: Now that I am here, we have achieved something, but there are statistics, and you can check them yourself. It is available from the Cabinet of Ministers and local authorities. As for a unifying idea, perhaps we don't have to look for it. What we need is a civil society, equality before the law, protection of individual rights and freedoms, the right to profess religion, the right to cultural, language, and other activities, and the right to choose, political freedoms, etc. When we say that we are building a law-governed and democratic state, a state of social protection, we can always be criticized: where is this protection? But only two and a half years have passed. You can judge the scale of today's situation from the point of highly developed countries, and compare it with our potential and the road we have taken. Is it right or wrong? Is it fair or unfair? You can question that. But to question the road and the choice itself would mean to divide the people and push them away from unity, toward a split on fundamental nation-building, and economic, political, and cultural problems.

[Hutsul] Oksana Hutsul, from MOLODA HALYCHYNA and VESTI. Leonid Makarovych, I have here Kharkov's SLOBODA newspaper, which I quoted yesterday. In it, Leonid Kuchma addresses his voters saying: If you do not come to the polls, you will continue to be ruled by radical nationalists from Lvov. Do you feel like a radical nationalist from Lvov? Also, what economic mechanism is laid down in your decrees on repatriation of hard currency proceeds and savings indexation to prove that they are not a populist move?

[Kravchuk] It is hard for me to tell what Leonid Danylovych means by that. Indeed, statements by him similar to that one have been published in Zaporozhye and Crimean newspapers, although he said yesterday—I don't remember what he said, but I remember he did not reply. Yet, such statements have been made. And this begs a question. Take our independence period. Who was in the Cabinet of Ministers and the Supreme Council? Fokin? He is not one of those Lvovites. Zvyahilskyy, Masol? Plyusch and Hrynyov in the Supreme Council? I don't know what he is talking about. Maybe someone else wrote this on Leonid Danylovych's behalf. Maybe he did not even see these statements. It is possible. I had a chance to talk to him before and he denied having written this, he said someone else wrote it under his name, like that article in IZVESTIYA. But if one says what you said yesterday, that Ukraine is united, that there is no need to divide into east and west, which is true, and then suddenly voices ideas which cause a divide from the very start, there should be no euphoria about it. If someone says there are no problems in the east and in the west, they are simply unaware of these problems. There are about eight million Russians in the east. To say that there are no problems would be turning a blind eye. There are language problems, household and family problems. A Russian, no matter how long he lives here in Ukraine, will never renounce a feeling for his land, for his traditions, language and culture, his Russian culture. That is his right. And we must assist them in nurturing that feeling, not ban it. We must take this into account in our policymaking, instead of saying there are no problems and everybody in the west and in the east is the same. But to divide them without any reason, [pauses] by the way, I am not from Lvov, I am from Volyn. I don't know why I am thrown in the same bag. May be it is because I give speeches in Lvov. Well, everybody speaks there, including Leonid Danylovych. So I don't really get it. May be it was someone's rash reaction.

[Moderator] I think the only thing that unites the east and the west today is that everyone is begging for funds.

[Kravchuk] Yes, and asking: When are we going to live better, what are you doing for it? And they are right in their demands... but there is one catch: Both sides are demanding. But some say: We will work and be patient to preserve the state, while others demand and say: We don't want to be patient and don't want any state. Here is the difference. But it is hard to tell how many there are on each side, although I have travelled and heard people speak out for their state, their democracy, order, discipline and self-organization, and I heard them demand that the government, the Supreme Council, and the president work together and solve the fundamental problems which concern people. This is the general feeling.

[Unidentified correspondent] About the G-7 meeting in Naples. We have information that Ukraine will be offered $41.8 billion to close Chernobyl and to build three extra reactors in Zaporozhye, Khmelnitskiy, and Rovno. The question is as follows: do you think this figure will be enough, at least to some extent, and secondly, Umanets considers that there is no point in allocating this money to build these units because Ukraine could build them itself, but that it is necessary to close down Chernobyl and build a new station in the Chernobyl zone with two or three reactors. Your comments on this please.

[Kravchuk] Well obviously, more decisive and complex measures are required for the combined development of Ukraine's power engineering. I am grateful to the G-7 countries, first, for the fact that they are paying attention to Ukraine and secondly because it takes into account the fundamental issue of our life: power engineering which is very dependent on energy sources, and we were aware of this particularly last winter. I am grateful to them. But we will not resolve the energy problem in Ukraine with three generating sets. The first thing is that we need to compensate ourselves for the loss of electric power. Apart from reconstructing atomic reactors to make them safer we need to rebuild thermal power stations that operate on liquid and solid fuel. So it is a complex problem. Second, as far as Chernobyl is concerned, Mr. Umanets is right, because having closed down these reactors, we need to build other reactors close by, otherwise the town of Slavutich with 30,000 people which is basically geared towards servicing the atomic reactors will immediately have a problem. What will they do and how can they be retrained? Slavutich could have similar problems to Pripyat. It is therefore, a complex problem for Ukraine. I repeat that the G-7 countries are tackling the issue and, as far as I know, it will probably be further discussed in Canada. With our participation we will be able to resolve these problems. But I would not begin now to count how much money is required. We need precise calculations. The problem should be resolved as a whole for Ukraine for it not to be dependent on energy sources.

[Unidentified correspondent] I am from the Hravis TV company. I would like to address my colleagues. Esteemed colleagues, let us adhere to principles not just yesterday and today. If we had an aggressive adherence to principle yesterday, then today it is just like in the anecdote where somebody turns to a learned man and asks: Ivan Ivanovych, may I criticize you? You work very hard. And now the question. Yesterday during the meeting with Leonid Kuchma we heard the information that it is planned to stop broadcasting programs from Ostankino TV. The program's host partially confirmed this yesterday by saying that some financial problems are being resolved. I think that this problem should concern the president and can you tell us whether it is true that a commercial organization, a commercial TV company which is now being created with foreign capital, is putting in a claim for this channel? I would like to hear from you whether this is true or not.

[Kravchuk] I see no problems on the part of Ukraine with regard to Ostankino broadcasting. We are interested in our people receiving all-round information from various sources, including from Ostankino and Russian sources. Some people may like the content of their broadcasts, and others may not. But that is a different matter. It should be according to the law, and the Ukrainian side never spoke and will not speak in favor of stopping Ostankino broadcasts and I am saying this as the president. There could be problems connected with financing or with the Ostankino TV station itself taking measures because funds are being reduced not just in Ukraine but also in other states. This does not depend on us. Ostankino could suddenly say that they do not have the possibilities or the funds. This is our fate but it is not our fault. We cannot control this process. I consider that everything will be done so that the TV channels which the Ukrainian people listen to in east, south, and central Ukraine and in Kiev may be viewed so that people have access to alternative TV channels from other countries. I would not be against having TV channels from other states of the world, as well as from Russia. This would be good, but at the moment we do not have the possibilities for this. But with regard to some commercial TV company, I do not know anything about this. I do not have such information. Following your question I will check whether the information is true but as I said, I do not have such information.

[Moderator] Esteemed colleagues, with your permission, and if Leonid Makarovych will permit me, I would like to take one minute of his time.

[Kravchuk] Please.

[Moderator] There is an official telegram by Ostankino's technical director-general and financial director, saying that owing to the Ukrainian Government's financial difficulties, Ostankino is only prepared to pay for a relay from six o'clock. This telegram is addressed to all other CIS republics, Russian krays, and oblasts, not just to Ukraine. This concerns not only Ukraine but also the whole of the area that the Ostankino television company covers.

As for rumors about a foreign company, there is today a government instruction, and we are having talks with

Ostankino on setting up a Ukraine-Ostankino joint venture which would relay the whole program. So if it is set up within the framework of an intergovernmental agreement, this will be the company that would work that channel.

[Kravchuk] So, using this occasion, I call, in particular, on Hravis to study the issue both within the television company itself and in the government and only then (?make announcements).

[Moderator] I ask for a question from the right.

[Kharchuk] Nina Kharchuk of RUKH-PRESS. Together with the People's Movement of Ukraine, esteemed President, you have become part of the history of this state. In other words, we respectfully confirm that, having made its choice on 1 December 1991, Ukraine inscribed your name as the president in the history of our nation.

At the same time, esteemed Leonid Makarovych, you have become the Crimean republic's godfather. Of all the aspects of your activities that have not been accepted in Ukraine—or, for that matter, worldwide—and of all the shortcomings in your work, it is Crimea that hurts us. I am now addressing you as a Ukrainian presidential candidate. Ukraine adopted an understanding attitude toward the Crimean problem, but your godchildren in their ruinous vote of 26 June threw doubt both upon their sense of understanding and their gratitude. Why? Is it because a prophet is not without honor, save in his own country? Thank you for your answer.

[Kravchuk] The processes under way in Crimea are not simple. They are complex. Those people riding the wave of, let us say, difficulties, and coming to power at various structures are both balanced and not so balanced, which, in general, is a tendency in today's democratic, electoral process, as you can see from other examples. The following, however, has to put me and you at ease: Crimea today is an integral part of Ukraine, and this has been recognized worldwide, including by Russia. Nobody will address any issues associated with the separation of Crimea from Ukraine. Throughout the whole of the territory of Ukraine, Ukraine's laws and Ukraine's Constitution are and will remain in force. Any attempts to negate this will be unlawful and unconstitutional. On the basis of the Constitution and on the basis of the law, we will act expressly and consistently in the interests of our state's integrity, the inviolability of its borders, and so on.

Will there be a vote? There may be a vote and there may be various points of view, but this does not at all mean that they are lawful from the standpoint of the Constitution and laws of Ukraine. I think things would have been even easier if politicians, including presidential candidates, had expressed a uniform opinion on that, based on Ukraine's Constitution and laws.

I would like to be understood. Everybody can express various points of view. That is their right. A presidential candidate, however—in this particular case an official empowered as a presidential candidate—who appeals to the people for votes, has to act on the basis of the Constitution and the laws of Ukraine.

I am concerned that statements are being made to the effect that the Crimean issue is a matter for the people living in Crimea. This is a dangerous statement, you know, because an expression of will by the people of Crimea (?cannot) be grounds for determining the status of Crimea. It is only an all-Ukrainian referendum—I emphasize this—that can decide that. Even when there is a separation or a divorce in a family, it is not only the wish of one side that is taken into consideration but also that of the other. Otherwise, there either is simply ignorance or there is an attempt, let us say, to find support in this region or another. We have to be strictly and consistently governed by the Constitution and laws of Ukraine. I have done this and will continue to do so.

There is a red boundary that nobody can overstep. This boundary is called a state's integrity and inviolability of its borders. It is exactly this that all of us have to ensure. A president who is governed by other grounds or other considerations, forgive me, cannot be the president of that state. He must be the president of another state. This is the only way that it can be understood.

[Unidentified journalist] I am a journalist of NEZBORYMA NATSIYA, which is the printed newspaper of the State Independence of Ukraine nationalist union. I would immediately like to warn eastern Ukrainians and television viewers that I am not from Galicia [Western Ukraine]. I was born in the town of Gorlovka in Donetsk Oblast, and it was there I grew up as a child. I devote 90 percent of my time to economic problems.

Mr. President, you understand only too well that not a single country in the world was built around an economic idea. Countries were built around national ideas. The French built the state of France, the Germans the German state, and Russians built the Russian state. I would like to say a few sentences about the national problem in Ukraine.

On 7 July 1992 at a Zionist conference in Brussels, you were forced to admit, quote, according to the assessments of some international experts, Ukraine gave its national minorities far more rights than is demanded by the treaty on civil and political rights, unquote. Mr. President, why are you depriving us Ukrainians of the right to build a national state by preaching at a state level the theses of the so-called multiethnic people of Ukraine and propagating the idea of building some kind of social state and not a national state of the Ukrainian people?

And now the second question, which is very brief. Are you aware of a feeling of national dignity, and if so how does it manifest itself?

[Kravchuk] You gave the example about France and other states. I know from statistics that about 95 or 96 percent of the population of France is French. In Ukraine 74 percent of the population is Ukrainian; the

remainder are representatives of national minorities, including Russians, of whom there are about 11 million. If the Ukrainian majority does not understand that it is to become more humane and more magnanimous in order to retain representatives of other nationalities, namely, to retain them on their land, then we will have an international conflict similar to those that exist and have existed in other republics. That is the first point.

Second, we cannot ignore the fact that we are building our own Ukrainian state after many years of abnormal life when the general concept of Ukraine as such did not exist. There were other concepts. We are building such a life after a difficult period in history, of psychological misrepresentations and a crippled language and culture. If we were today to immediately declare that our nation is above everything else and that we are building a national state, believe me we will so frighten the representatives of other nationalities—and I am using everyday language but it is justified—that they may take fright not of this Ukrainian land but of the land of their ethnic territories and we will not build a peaceful state.

I agree with you, however, that this cannot be continued for ever, that there should be equality between everybody and everything. This is why I support a civil society and do not want anybody to be restricted in our country, be he a Ukrainian, a Russian, or a Jew. But today we are restricted and are consciously going along this path. I stress the word consciously. We must demonstrate by our example that we are sacrificing something in order to preserve ourselves as a people and as a state.

Believe me, this policy is more fair than the policy you are advocating today. I do not reject equality but cannot agree with [word indistinct]. People ask what democracy is. It is when minorities are protected. That is real democracy. If we all are real democrats, Ukrainian democrats, we cannot permit ourselves to be like a great power at home in Ukraine and claim that you are somewhere at a lower level. This is where our democracy and our example lie.

As a Ukrainian and a citizen of my country, the highest quality for me is to love my country and defend it to the end, to ensure that it remains ours, and that all who live here are not restricted. I am prepared for this sacrifice. [Kravchuk ignores interruption from the back of the room] We are doing this consciously and are sacrificing something to avoid people saying that we are great power monsters, that we are oppressors, and that we are not really democrats.

When I talk about other peoples to whom I have no claims, I am talking about history and life. But I say, Sir, that your democracy ends at the point where your interests end. As soon as your interests have been achieved, you stop being a democrat. I, on the contrary, want to be a democrat to the end. I am not only looking at my interests as a nation and a Ukrainian, but am looking at the interests of the state, at the interests of all, in order to have peace, calm, and accord. We will, without fail, reach that point, but it will take a great deal of time.

Some people say the economy is the most difficult issue and is in a dreadful state. It is not true. The most difficult and most [word indistinct] thing is the mentality, spirituality, and the sense of being master and citizen capable of defending and standing when he his being forced to bend. If he survives he has become a superior person and that is his position. But the state of being superior does not mean oppressing somebody else. If I am superior, I should yield. If I am a Ukrainian in Ukraine I should say, yes, I am sacrificing something in order that you may understand that I am doing so consciously and will continue to do so until you understand it.

And you will not say that Ukraine and the Ukrainian language do not exist and that Shevchenko never existed. It is not necessary to publicize this. When you get up in the morning and feel inclined to read one of Lermontov's little volumes, then you become somebody else, and when a Russian feels he wants to read Lesya Ukrayinka [Ukrainian poetess] then he become a person with a different character. It is necessary to publicize this. Everybody should realize this. One needs to wear the cross under the shirt, not on the shirt. If it is under the shirt it is called populism, but if it is on the shirt is called faith.

[Kolomiychenko, speaking in Russian] Yelena Kolomiychenko, Radio Liberty's Russian Service, Munich. Leonid Makarovych, my questions also deal with the spiritual sphere. People have already spoken here about your tolerance of the mass media. Examples of such tolerance do exist. You are accused of connections with the Zionist mafia, at first on Radio Ukraine World Service and then on the pages of a Kiev-based newspaper, and you are extremely tolerant of this.

But last week something occurred which has nothing to do whatsoever with the above examples. I have in mind the closing down of the television company Hravis. Our radio is called Liberty, and this is why all of us, myself and my colleagues from Munich, want to know the real cause for closing down this commercial television channel. Is there an offensive on certain freedoms, the more so that something similar recently occurred in Belarus? [end passage in Russian]

[Kravchuk] Strictly speaking, after was asked about this—and you also ask me about this—I studied this issue. First, I again emphasize that Hravis has not been closed down; its activities have been suspended until the limits of acceptability have been legally determined. The idea behind this is that everyone, including Hravis, should abide by the law. It has been suspended, but not terminated. They are claiming that it has been closed down, but in fact it has only been suspended. They can bring along documents, register themselves, and proceed with their work, but they must abide by the laws passed

by the Supreme Council. And the National Council [for television and radio broadcasting] was acting in this case in accordance with the law.

Another thing, and this was said openly to the National Council, that they bestowed a doubtful benefit upon me, namely, they did it at a time when this action can be ascribed to me personally, should anyone want to. In this particular case it does me harm, so if Hravis says I have done this, then it seems that I have done it against my own interests. I say the National Council should not have done this, but it says the time has come.

I am not the head of the National Council. It is not subordinate to me. It was approved by a relevant decree which clearly stipulates that the decree is valid until the Supreme Council makes its decision. Everything has been done in strict compliance with the Constitution and law. There are no violations whatsoever.

By the way, the composition of the National Council was approved with almost no changes to the list of its members then submitted to the Supreme Council. But the old Supreme Council failed to approve it, failed to find common ground.

However, the law must be upheld. Literally thousands of letters have been sent in asking why there is such piracy on the air, why anyone should be able to use air time or a television channel to do whatever he wants. This is true. I have appeals from writers, artists, architects, pensioners, and veterans who say: Mr. President, stop this, because this is piracy. And we must stop this; and, I repeat, we must do in accordance with the law. I stress this, in accordance with the law. The president, the National Council, and Hravis must abide by the law. That is all there is to it. And not only Hravis, but all others as well.

You know, if something happens somewhere, and our gentry know how to put it across, the entire world immediately begins to say that there is an offensive against democracy. But tell me, is there a country anywhere in the world which would put up with such a torrent of misinformation and pornography. Children have already ... [pauses] Fathers and mothers are on the verge of despair. Instead of stopping this and supplying truthful information ... [pauses] Well, you switch on your television sets and watch 30 minutes of advertisements, two feature movies, then advertisements again. But is this information? Excuse me, is this information? Supply us with information. Supply information about the life of Ukraine, the life of its regions. Give the floor to political science experts. Give contemplations about our life. This is what I have in mind.

So, I want everyone to understand that we must all live in compliance with the law of Ukraine, and no one, neither Radio Liberty nor any other radio, can tell us what we should do or how to do it. We will do whatever we deem necessary, proceeding strictly and clearly from our law. You can comment on what we are doing, this is your right.

[Unidentified correspondent] Leonid Makarovych, do you like [word indistinct] Ukrainian state television?

[Kravchuk] I cannot say that it is completely to my liking, but you cannot say that, if it is compared with... [pauses] You see, I have been in charge of radio and television for 25 years, so I can make comparisons, and if I can compare I do compare. There has been a radical change, for example, even over the past six years, in the density of information, in the power of visual images, and in artistic presentation, and things will continue to change.

By the way, we are in a new building today which was built for the state television, and not only for state television. These facilities are here to be used. Huge funds have been invested here. However, it will take time to turn the provincial television, which had only one hour of air time per day to inform about local life only, into a state television with its status, its vision, its culture, and density of information. It will take time. And there should be time to put a barrier in the way of those who wish to engage in television and radio piracy. And this will be done, no matter what they say and no matter how they shout. It will be done in compliance with the law.

[Moderator] I would only like to ask my colleague a question. Is there a country whose citizens would give at least 50 points out of 100 to their state television? You will not find such a country.

[Kravchuk] By the way, excuse me, I would like to add one more bit of information to what has been said. I would like to add that we have no right whatsoever, for example, to resort to any piracy. For example, there is a statement by channel Tete [independent television company Tete-a-Tete]. They issued a statement, which they made public, accusing Hravis of an act of piracy, using Tete. Instead of airing a report on, for example, Kuchma's election platform or campaign, they replaced the cassette and broadcast another report. How long will they engage in piracy? I say this with all respect for you; I do not have in mind you personally, but the television sets. [sentence as heard]

One should not do this. One should stop doing it, even if one dislikes it. Maybe I also dislike something, but, please, abide by law, do not engage in piracy. The state cannot allow this to take place. It is the people who do not want this, the people want to have normal television and normal information. Otherwise, anyone can air any information to his own liking, and what is more, in violation of the law. Abide by the law and go on the air.

[Klymenko] Borys Klymenko of Spain's EFE news agency. Mr. President, we are now combining our forces, so there will be another question from the UKRAINIAN BUSINESS NEWS. To begin with, a remark: You spoke about 8 million Russians. I believe that if there were a population census now, there would be far fewer than that, because many among them are in fact Ukrainians.

As for the question ... [pauses] You might have seen today's IZVESTIYA. It carries Clinton's interview with some foreign correspondents in which he said, among other things, that the United States would not object to a new union of the former USSR republics if this were to be done on a voluntary basis. How do you feel about this?

And, second, your rival Kuchma said he is confident of victory. Are you confident of victory, and what is your confidence based on, given that you are blamed for failing to implement your (?5-D) program and carry out any reforms in the period of your leadership of the government? Thank you.

[Kravchuk] The United States of America and President Clinton are expressing their point of view which does not contravene international principles. If peoples wish to unite, they may unite. However, the people should be asked whether they want this; such agreements should not be signed without the people's consent.

In 1991, I defended Ukraine's independence at Belovezhskaya Pushcha, because I had the backing of 90.5 percent of the people, who had voted for an independent and sovereign Ukraine—90.5 percent. That is what I did, and I will defend it. If that problem does arise as probable and hypothetical, it should be (?decided) by the people, by all the people, by all the Ukrainian, Russian, Belarusian and other people who should make that decision, rather than by regions or territories.

However, what grounds have we today for the issue to be raised so acutely? The issue that should be raised is that of building democratic and law-governed states, of cooperation, of normal and friendly relations of partnership possessing equal rights, and respect for each other. Time will show where cooperation will be the most (?substantial), whether it will be in the economic, international, or military political sphere. Time will show. Why, however, right after it has been agreed that one's own state should be built, should this question a suddenly arise? I would not like the issue to be raised in this way.

As for Leonid Kuchma's confidence, perhaps, he bases himself on some specific facts. I heard him say last night: I am convinced that I will be president. He did not add, however, that it is Ukraine he would preside over. [laughter in the audience] We have a lot of presidents now. Now, incidentally, he is president of the Union of Industrialists and Entrepreneurs. So that may have been an imprecise expression.

[Question indistinct]

[Kravchuk] I am not talking about my confidence. I am talking about the electors' confidence. What they decide is what there will be.

[Moderator] The URYADOVYY KURYER newspaper, please.

[Ilchenko] Volodymyr Ilchenko of the URYADOVYY KURYER. Leonid Makarovych, your rival said last night that he categorically opposes privileges and concessions in economic activity and that there were none at the time of his government. Could you comment on that statement?

[Kravchuk] This issue was studied by presidential advisers in 1993. It was studied because my supernumerary advisers and many works directors sent letters to me accusing Kuchma's government of granting privileges to certain directors. So I had to issue a directive in November 1993, banning any privileges. I even know this figure: During the Kuchma government's term of office, privileges were granted to 342 works, particularly those in the sphere of external economy. So I do not know what it was about. What I do know is precise figures and you can check this with the Cabinet of Ministers.

In general, if you talk tonight about what immediately concerns my opponent, I will refer only to documents and figures and the sources they can be found in.

[Moderator] Leonid Makarovych, the newspaper NEZAVISIMOST.

[Andreyeva] Viktoriya Andreyeva of NEZAVISIMOST. Mr. President, there is information—I do not know to what degree it has been verified—that your administration has made a list of the mass media that are, as it were, undesirable, and that NEZAVISIMOST is on it. My question is this: What will happen to the independent press, the really independent press, when you become president, and is there such a list?

[Kravchuk] I can say that there is no such list. There has been and will not be such a list. This is somebody's invention. Today, you know, there is some innuendo surrounding both the president and the presidential administration. Yes, there are articles in NEZAVISIMOST that I like and others that I do not like. It is not a question of (?liking or disliking) a newspaper. I would just like there not to be any caddishness and not to be any groundless accusations. I would like some documents to be quoted.

In general, you see, we are building a new state. It befits nobody, neither a newspaper nor officials, for somebody to think that jumping higher than anybody else, jumping and displaying one's courage in nothing other harsh expressions and misinformation ... [pauses] I say wholeheartedly that there is no need for this. We are living at a difficult time. We need to adjust ourselves to democratic norms, to being civilized and to respect for each other.

Like the Russian language, the Ukrainian language is very rich, by the way. Words can be found that would not offend anyone. There can be references to sources, the sources that there are, let us say, in the government, presidential structures, Supreme Council, ministries, and departments, rather than those at Besarabka [Kiev's

market]. It is possible to say precisely that there is such and such information there and there.

For example, I like it when a newspaper provides a copy of a document. That is already a fact. When, however, it just makes a statement or resorts to anecdotes or something else ... [pauses] There is no need to do this, the more so in that there are decent and indecent, French and Besarabka anecdotes. So there also is this principle: You are a fool, too. There is, however, wit, and wit is more effective, and yet nothing can be said against it. If you cannot do this, you had better not do it. Do it tomorrow, when you know how. Everything will be all right, I am telling you.

As for the list, there is none. NEZAVISIMOST exists and will continue to exist. Make sure, however, that it is truly independent; I do not mean independent of the president—there is not need to speak of it being dependent or independent of the president. It should be independent in terms of its formulation of problems, and its formulation, so that, for example, I could read a newspaper and see that Ukraine is trembling but that you are protecting it. Do protect our land, a human being, and Ukraine, and I will applaud you.

[Moderator] A question from the center, please.

[Tratovich] Yevgeniya Tratovich of (?DONBASSSTAN) regional newspaper. Leonid Makarovych, if you are elected president, how realistic is it to expect you to be able to protect the economic and industrial east of Ukraine? My point is that no government subsidy has yet arrived at many Donetsk and Lugansk oblast mines. Thank you.

[Kravchuk] I have checked this one. I have checked it with the bank here and the government. All the money has been fully transferred. It is somewhere on its way. You see, I even see it as something that could make me think something worse. Could it be that somebody needs it not to arrive on time? The point is that I have information that pensioners are now being assembled at some housing departments on the pretext of allocating sugar coupons to them and instead being asked: Do you know who it has been decided here to support and vote for? So vote for him, as this is our decision. This is what is going on.

So it may be that those people are stopping the money somewhere on its way so as to cause, let us say, some discontent. The money is on its way. I have given instructions to check just for myself where it is now. I will check it and inform you.

As to what you were saying about the industrial Donbass and coal- mining Donbass: I have said and say again that, except for Ukraine, nobody needs this coal. Believe me, nobody needs it. Particularly coal, because coal in Russia and Kazakhstan is four times cheaper. It fills every hangar, if I may say so. They do not know what to do with it. We, however, have no alternative, so Donbass can only live with Ukraine. We will develop it. We have no other way. So Donbass is needed by Ukraine.

[Moderator] The LIVYY BEREH newspaper from the left.

[Alekseyeva] Viktoriya Alekseyeva of LIVYY BEREH. Today in parliament, people's deputies Porovskyy and Khmara tried to throw out their colleague Kuzmenko for attempting to inform people's deputies of the contents of a letter on Lvov municipal authorities' actions in breach of your directive on national celebrations of the 50th anniversary of the liberation of Ukraine from the fascist intruders and attempts to give equal rights to the Soviet Army veterans and men of the Organization of Ukrainian Nationalists and the Ukrainian Insurgent Army [OUN-UPA]. What is your attitude toward this, please?

[Kravchuk] I have not heard about this. Can you tell me precisely what there was at the Supreme Council for me to answer.

[Journalist] This letter was sent, or rather is addressed to you, Ukrainian President Kravchuk, and it is for you ...

[Kravchuk, interrupting] I do not read everything. I cannot read through everything at once. There are 150 such letters every day. I simply have no time. I simply want you to inform me so I can give you an answer.

[Journalist] It is about the 50th anniversary of the liberation of Lvov from the German fascist intruders to be marked on 27 July of this year. So the letter is about people walking about in SS uniform in the city of Lvov, and the 50th anniversary of the formation of the 14th SS Galicia Division being ceremonially celebrated at the Franko Opera and Ballet Theater. Apart from that, Lvov's local radio says that the reburial of their remains will take place on 31 July 1994 and that the celebration of the date of the liberation of Lvov was postponed until the same date, 31 July.

[Kravchuk] I believe that Chairman Horyn, who was elected, is a democratic man and that deputies are the truly democratic chosen ones, who will never let the celebration of the 50th anniversary of the liberation of Lvov not take place. It should be celebrated and not forgotten.

You see, here ... [pauses] We cannot, let us say, see the difference: There is a regime and there was a regime, which is the Stalin regime, the totalitarian regime that deprived the people of their freedom. This all happened. But what do those, who liberated and protected our land have to do with it? After all, we celebrate and mark the people whose wounds hurt today and who sat in trenches, rather than celebrating that regime. So we are democrats, so do celebrate the UPA and celebrate whatever else you think necessary, but why not celebrate the 50th anniversary of the liberation? I am convinced that Lvov's authorities, elected by the people, will celebrate it at state level.

[Unidentified correspondent] [Words indistinct] Leonid Makarovych, how would you comment on the appointment of Yevhen Marchuk as deputy prime minister? And, if you will allow me to ask another question: What are your moves to combat crime. Will you follow in Boris Yeltsin's footsteps by adopting a relevant decree? Thanks.

[Kravchuk] Well, we want to concentrate the coordination of control over the work done in this extremely important and painful sphere. You see, we have set up an coordinating committee under the president to combat organized crime and corruption. Now there will be a deputy prime minister in the government who will coordinate all of what we might call the power-wielding structures to do this work. I would like to tell you that certain results have already been achieved.

One cannot say that we have not done anything. I will mention just a few figures. Only on the strength of the available materials we have already instituted 900 criminal proceedings—these were figures obtained by the Security Service and the Interior Ministry—and they include proceedings against 110 officials charged with bribery, the embezzlement of state or collective property, and other crimes. Criminal proceedings have been instituted against nine high-ranking officials, from a department chief to a deputy minister. The overall sum of money confiscated is $1 million or 320,000 billion [as heard] karbovantsi.

Over this time we have managed to register 600,000 crimes, most of which have been solved, and 83,000 criminals have been found. That is to say, work is under way. I would like everyone to understand that people are not sitting idle. They die from bullets. It is clear that today we cannot ignore the opinion of the entire people. The criminal world has declared war on us. This is a fact of life. Machine-guns, submachine-guns, and other weapons are being used, and we cannot but respond to this challenge accordingly.

A serious challenge has been issued. This refers to fractions of what we can call criminal groupings. But should 99.9 percent of people suffer simply because we cannot take resolute measures? True, resolute measures will be taken. However, we have prepared a package. In the near future we will submit a package of laws, enforceable enactments, and additions to the codes to the Supreme Council. In other words, I mean that these actions will be very strict and adequate to the situation, and that we will also respond to the challenge with force but not with arbitrariness, on the basis of law and law only.

[Malysh] Mykhaylo Malysh of the UKRAYINA magazine and the Democratic Association Ukrayina. Leonid Makarovych, there is a well-known novel entitled "Year 93" and there is a drama in Ukraine's history under the same title "Year 93." Last year the population of Ukraine, probably 90 percent of it, reached the depths of poverty. This began with the liberalization of prices, then the commercialization of society and so on. Everything was taking place under the auspices of a government which had extraordinary powers, the government of Leonid Kuchma. At the same time, you recommended Leonid Kuchma for the post of prime minister and you probably knew that he got his education in the privileged military-industrial complex and could not be aware of the economic realities in our state. Please say whether you recommend him of your own accord or were you actively persuaded to do so.

[Kravchuk] Since I have read the speeches and bits of information containing Mr. Kuchma's statements about myself, and not only about myself, I have every ground to make corresponding verbal statements. However, I will not do this. I have said that I will be guided by facts only. So I would not like everything to boil down to Kuchma's guilt alone. There is a complicated economic, political, external situation. Another thing is that Leonid Danylovych [Kuchma] failed to cope at that time, and this was due to various reasons.

I am against one thing only—we must stop Yaroslavna's wailing on the Ukrainian rampart [reference to a masterpiece of Kievan Rus literature]. It is necessary just to say frankly that I can do this and I cannot do that. And there is no need to look for some reasons so as to be in a state of being offended, pretend to be a person who is being offended by everyone, a person who is not allowed to reveal his abilities, to spread his wings. One should not do this.

Now, look here. Yesterday it was alleged that President Kravchuk has more air time on television than Kuchma has. I took along a report just to show it to you. It is very interesting. You should know about it. Here it is. It contains data received from all the oblasts of Ukraine. State television—I refer to state television because I do not speak anywhere else—Kuchma has altogether 17 hours 55 minutes of air time, Kravchuk has 12 hours 33 minutes. That is the figure.

Further on, there is data according to oblasts. I have data from Donetsk, Rovno, and Transcarpathia oblasts, where I did not appear on television at all, but where Leonid Danylovych [Kuchma] did. On Ukrainian television we also have equal opportunities.

Finally, there is a press release containing the assessment made by the European Institute for the Media, whose experts were in Ukraine. This is what they write ... [pauses] It was not just anybody who paid for this; this is a very reputable organization. This is what they write: The team of observers believes that the candidates were provided with equal access to the nationwide mass media. This is their opinion. And what if they say that the president was using air time as the president and not as a presidential candidate? Excuse me, if I receive, for example, the prime minister of Vietnam, do they show me? There would be an international scandal if we did

not show the important guest visiting Ukraine. Only ignorance can lead one to a conclusion that these are unequal conditions.

As for the candidates, I have just mentioned the figures, you can have a look if you want. I pass this to you. This is why I do not want this to be turned into ...

[Malysh] I have a question which is painful for all those present, about the state of the Ukrainian press. Ukraine surrenders its information space because Russian-language publications are being circulated on an ever growing scale; they are dropped in mail- boxes free, and so on. Meanwhile, the Ukrainian press, UKRAYINA magazine, in particular, turned to banks but the banks say: Make money as you can ...

[Kravchuk, interrupting] I have already drafted a decree. I do not want to sign it now because I would then be accused of doing this to win your support.

[Malysh, interrupting] When you become president, what will be the fate of Ukrainian [word indistinct].

[Kravchuk] A decree on the exemption of all the mass media from value-added tax.

[Unidentified correspondent] Electronic mass media included?

[Kravchuk] All the mass media. All.

[Unidentified correspondent] And private?

[Kravchuk] As far as the private mass media are concerned, I do not know yet. It is necessary to clear up who is doing what and how. I am talking about the cancelation of value-added tax. This will be a support to a certain extent. But, I repeat, I cannot do this now, otherwise I will stir up a wave against myself; people will say he is engaged in bribery. There were voices heard even somewhere here that you have a somewhat different attitude toward me. But if they have a different attitude even toward myself ...[pauses] If I wanted to collect everything you have written and said about me, there would not be the space here to keep it.

[Mashchenko] Oleh Mashchenko, Ukrainian television third channel's information service.

Leonid Makarovych, do you think people's attitude toward you has changed since the presidential campaign of 1991? If it has, what is the essence of this change?

[Kravchuk] Of course it has changed, and not without the work carried out by certain political forces. When I come out in favor of Ukraine, the state, its independence, its state power—when I come out in favor of my state, certain political forces, especially in other regions, say: Kravchuk is nationalist. Read the mass media of our neighbor [not further identified] and you will see that Kravchuk's national idea does not work.

There is an interesting fact: When Yeltsin defends Russia, he is a patriot. When I defend Ukraine, I am a nationalist. As soon as I come to Ukraine's defense and take a step to save the situation, so as not to allow Ukraine to perish... [Kravchuk pauses] Yes, I will agree to negotiations, to talks, to anything just to save Ukraine. There cannot be a frontal policy here. What do they write there? He betrayed national interests. Sometimes I just try to see the limit beyond which the situation becomes simply dangerous. But such is the situation in Ukraine, and one should deal with it.

This is why the attitude has changed, as far as the political aspect is concerned. They contributed toward that end, but there is a basis for this as well. Life is difficult, the economy is in a grave condition, there is no social protection, people's lives are hard, and I feel this guilt, you understand. There are five D's, although they were not calculated for 30 months. There is the D in statehood [derzhavnist]. Can I say that Ukraine is a state, no matter how they spit upon it? We ourselves say that it is still so weak, we have not yet grown up enough, that it is not full-blooded yet. We say this ourselves. But it does exist, it has been recognized by the world, and the world respects it. I can say this because I feel this and not just feel this, but I see this attitude on the part of the states and international organizations.

Democracy is making headway, is it not? True, there is no strong democracy yet, but it is necessary to [words indistinct], so that with mother's milk this should become normal behavior and not just a call for democracy. Nevertheless, it makes progress. This is also a D [demokratiya].

We return to the roots of our spirituality. If all people understood that the mass culture—let us say it, mass means money.... [Kravchuk pauses] This spiritual refuse should not be imposed upon us; the state should provide better support. In other words, one cannot say that nothing has been done. There is something. Steps forward have been made. Something has been done. I am having a hard time, as is everyone. It is painful for me to feel, as they say.... [Kravchuk pauses] I probably take this to my heart more than anyone else because, perhaps, I wanted more than anyone else for people to say: Our life has become better. I would assume this. I cannot say this. I cannot. I think this is why this basis has changed, but no one can accuse me of wanting to make things worse. True, I did not manage to do something, or I failed to do something, or failed just to comprehend something. For the first time Ukraine has a president. Was I born a president? Were you born journalists? No. One should travel this road. One should feel the weight of responsibility. One should think not only about today and tomorrow, but to acknowledge mistakes. However, to say that this is a criminal, like some do—and, moreover, groundlessly, on emotions only—I will live through this. The main thing is that Ukraine should live.

[Moderator] Anatoliy (Krasylyanskyy), your turn now.

[(Krasylyanskyy)] HOLOS UKRAYINY, (Krasylyanskyy). Here is my question. Lately the Supreme Council

has more than once heard issues connected this way or another with the election of the president. There is an impression that the epicenter of the presidential campaign has shifted to the Supreme Council session hall. Can you explain this situation, this kind of activity by the deputies? This is one thing. The second question is brief. As is known, the Kuchma government adopted a number of edicts that undermined or brought to nought a number of laws important for us. You are the guarantor of fundamental law and legality. What will you do with these edicts that run contrary to our laws?

[Kravchuk] Again, this is a political struggle, and I feel sorry that it is being shifted to the Supreme Council session hall. This is being done not without the initiative of certain forces. For example, does Leonid Danylovych not know that an application should be submitted to the Central Electoral Commission? Does he not know this? He does, but he submits it to the Supreme Council, thus abusing his power as a deputy. After all, he is running in the presidential election as a citizen and not as a deputy. For example, if Petro Talanchuk submitted an appeal to the Supreme Council, would it consider it? I can tell you openly that it would never do this. However, there are supporters of Leonid Danylovych, from his bloc, for example, who stand at the microphones and want to use—I say this sincerely—the Supreme Council against the president or the presidential candidate Leonid Kravchuk. I hear this and I believe that in the end they must stop doing this. If the Supreme Council joined the campaign against Kravchuk, not all the Supreme Council but part of it, what equal conditions can you speak about? This is the state of affairs today. Some are doing this, others are doing that. This case is beyond the competence of the Supreme Council to consider issues on who offends whom and how. There is the Central Electoral Commission. Finally, there is court. It is there that such issues should be considered. This is normal.

This is why I believe that people will finally understand who wants what. And this is on the surface. You feel this, I feel this, and everyone feels this: who sympathizes with whom and who dislikes whom. However, one should not turn all of this into a state policy and use the deputy mandate in a struggle against a concrete individual. This is already dangerous.

As far as the edicts are concerned, relevant draft documents will be submitted to the Supreme Council, which is to rescind these edicts. By the way, part of these have already been submitted to the old Supreme Council, and it is necessary just to consider them.

[Moderator] Leonid Makarovych, 99 minutes of our meeting with the press have passed. We failed to give the floor to at least 40 our colleagues. This is why I give you the last 30 seconds for a concluding word and then our time will be over.

[Kravchuk] First, I would like to thank everyone present for this meeting, for the sincere conversation, and for the opportunity to express my stand, my point of view, especially on the acute issues which are of concern to the people of Ukraine. I appeal to the voters and to all citizens with the only request to fulfill their civic duty on 10 July and cast their votes. We have to complete the process of voting and elections because the next elections will take place on 24 July. The majority of voters I happened to meet say it is time to stop the election campaign and get down to work. But to stop it, it is necessary to vote and dot the I's and cross the T's. I pin my hopes on the civic stand and wisdom of the people, on their ability to distinguish between the wheat and the chaff, to see the aim, the great objective: a democratic state, peace, accord, tranquility in Ukraine. With these thoughts and this stand at the polls, if no one stands in the way and no one interferes in the democratic election process, you will make your choice worthy of the people and of the state and its future. I am sincerely grateful for our conversation and, if at some point I said something that embarrassed someone, I beg your pardon. I wish you well, and happiness and good health.

[Moderator] Thank you, Leonid Makarovych. Thank you, dear colleagues for your active participation in our programs. I address our television viewers and radio listeners. You have had two programs, two meetings between the candidates for the post of the president of Ukraine and the press. I invite you to be not just witnesses, but participants in our two-hour long Hotline program on 7 July, where your participation will be in the form of direct communication with the candidates for the post of the president of Ukraine, to ask your own questions and receive the same kind of substantial answers you have been receiving throughout our two programs. Thank you. Until we meet again.

Kravchuk Appoints Samoplavskyy First Vice Premier

LD0707083594 Kiev UNIAR in Ukrainian 0730 GMT 7 Jul 94

[Text] Kiev, 6 Jul—The president of Ukraine has appointed Valeriy Ivanovych Samoplavskyy as Ukraine's first vice prime minister. Anatoliy Fedorovych Dyuba and Volodymyr Nikiforovych Plitin are appointed vice prime ministers.

The president has accepted the resignations of Education Minister Petro Talanchuk and Dmytro Chernenko, minister of machine-building, military-industrial complex, and conversion. He is replaced by Viktor Petrov.

Hermanchuk Approved as Finance Minister

LD0607144094 Moscow INTERFAX in English 1327 GMT 6 Jul 94

[Text] The Ukrainian parliament approved Wednesday [6 July] the president-proposed candidature of Petro Hermanchuk to the post of the Republic's finance minister.

Taking part in the voting was 281 deputies with 222 deputies in favor and 28 against.

Hermanchuk was preceded by Hrihoriy Pyatachenko who was the Ukrainian finance minister since 1990. Recently he asked for resignation.

Petro Hermanchuk was born in 1952. He is an economist by education. Since last June he occupied the post of the first deputy finance minister. His candidature was backed by the commission for finances and banking.

Addressing parliament deputies, Hermanchuk spoke in favor of changing the budget legislation and waging the budget policy for a long period. With this purpose in view he believes it necessary to start today forming a state budget for 1995.

Hermanchuk has favored the concrete definition of the rights of all members of the budget activities from below upwards. He believes necessary to improve the system of granting benefits for producers and getting foreign credits.

According to him, the finance ministry should have a state treasury, as well as introduce within three years an automatic system of registration of budget expenditures and a reliable mechanism to control them.

Hermanchuk said that the Cabinet is completing work over the draft concept of the taxation policy. He believes the concept should be long-term. He believes that the tax press should be eased for entrepreneurs and "needless corrections" of the tax legislation should be prevented.

Hermanchuk also said that he does not see now an effective mechanism to return to the hard currency values.

Ex-UkKGB Chief Marchuk Named Deputy Premier for Security

MK0607113094 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 27 3-10 Jul 94 (Signed to press 5 Jul) p A2

[Unattributed report under the "Appointment" rubric]

[Text] By edict of the Ukrainian president, 53-year-old Yevgeniy Marchuk has been appointed deputy prime minister for national security.

Until his new appointment, Yevgeniy Marchuk, a Ukrainian language and literature teacher by training, has spent many years within the KGB system, where he rose through the ranks to become a general and first deputy chairman of the Ukrainian KGB when it was headed by Nikolay Golushko, recent head of the Russian special service. Yevgeniy Marchuk became chief of the Ukrainian Security Service in January 1991.

Commenting on the appointment, many observers point out that this post has been created for the first time in the government of a post-Soviet state. It did not exist, either, in the USSR Council of Ministers, of which security agency chiefs technically were members, while being directly subordinate to the top leadership. The introduction of this post in the Ukrainian Government means that a new, fourth center of power is emerging there whose chiefs do not depend on popular elections or votes of confidence by the Supreme Soviet for appointment.

According to one theory, Yevgeniy Marchuk's unexpected appointment stems from Leonid Kravchuk's wish to have his own man in the government of Viktor Masol, a man of the left-wing forces. Insistent speculation that the president planned to elevate the Ukrainian Security Service chief to the premiership before presidential elections last March is an indirect confirmation of the opinion whereby Leonid Kravchuk and his entourage are grooming a successor to the head of state just in case the second round of presidential elections on 10 July ends in "a draw" (that is, no one will be elected) and the next presidential elections will take place in 18 months' time.

From now on, however, Yevgeniy Marchuk will concentrate such powers in his hands that he could well play an independent role on Ukraine's political scene.

Kravchuk Vows 'Tougher Stand' on Presidential Powers

LD0607224594 Moscow INTERFAX in English 2125 GMT 6 Jul 94

[Text] If Leonid Kravchuk is re-elected as Ukraine's president, he will take a tougher stand, if the parliament or regional bodies question his presidential powers.

At a meeting with the Army leadership in Kiev Wednesday [6 July], he said: "I will have enough strength and determination to put everyone who tried to defame the head of state and the state itself in their places."

At the same time, Kravchuk said he was ready for negotiations with any opposition forces. "If this does not help, the law and the Constitution will be exercised in full," he added.

Crimea Says Republican Internal Affairs Ministry Legal

LD0707083694 Moscow ITAR-TASS World Service in Russian 2146 GMT 7 Jul 94

[Report by UKRINFORM correspondent Lev Ryabchikov for ITAR-TASS]

[Text] Simferopol, 7 July—On Wednesday [6 July] evening, the Crimean parliament adopted a decision "On the Crimean Ministry of Internal Affairs [MVD]," according to which the Ukrainian MVD's internal affairs main directorate in the Crimea is deemed to be in violation of the Republic's Constitution and Ukraine's law on the delimitation of powers between the state bodies of the Ukraine and the Crimea. The Republic's MVD is deemed to have been created for legitimate

reasons and, accordingly, the leaders of internal affairs bodies are instructed to follow the orders of the interior minister and the decisions of the collegium of the Republic's MVD.

Kravchuk Issues Decree on Currency Held Abroad Illegally

WS0707091794 Kiev UKRINFORM in English 1650 GMT 6 Jul 94

[Decree issued by Ukrainian President Leonid Kravchuk in Kiev on 18 June—from the "Business News Weekly" feature No. 20, 20-26 Jun 94]

[Text] With a view of returning to Ukraine currency values, which are illegally kept beyond its national borders, I hereby decree that:

1. Ukraine's subject of business activity, irrespective of their proprietorial form, should, within ten days, declare at the National Bank of Ukraine their possession (or non-possession) of currency values, with sums belonging to them specified, which are kept beyond Ukraine's boundaries, including those, which resulted from their business activity outside Ukraine; should submit to the Main State Taxation Inspection declarations about sums on their accounts with foreign banks and other financial institutions, as well as about sums of currency value incomings in the form of incomes (dividends), which were earned as a result of business activity beyond Ukraine's boundaries.

From henceforth, such declaration should be executed on a quarterly basis.

The National Bank of Ukraine and the Main State Taxation Inspection should ensure tight secrecy of the thus furnished information.

2. Ukraine's subjects of business activity should be authorized, from henceforth, to engage in foreign economic activities only given availability of declarations specified by Article 1 of this Decree.

3. To make it incumbent on all Ukraine's subjects of business activity, who are in possession of currency values, which are deposited, in violation of accepted regulations, on accounts and deposits outside Ukraine, to remit, within a month's term these currency values to Ukraine's authorized banks, and in case of inability to do so, within a term to be agreed with the National Bank of Ukraine and the Main State Taxation Inspection of Ukraine.

The National Bank of Ukraine should publish in the press, within a three day term, the list of Ukraine's authorized banks, to which currency values should be remitted.

4. The Finance Ministry of Ukraine, Ministry for Foreign Economic Relations of Ukraine, State Custom Committee of Ukraine, together with the National Bank of Ukraine should draft and implement, within a ten day term, a mechanism for control over fullness and validity of data, furnished by subjects of business activity in compliance with Article 1 of this Decree.

5. The Ministry of Statistics of Ukraine in conjunction with the Finance Ministry of Ukraine and National Bank of Ukraine, should approve and introduce in the third quarter of 1994 quarterly accounts by all subjects of business activity involving their incomes and dividends in foreign currencies beyond Ukraine's boundaries.

6. The National Bank of Ukraine, ministries and departments should notify Ukrainian law enforcement bodies about available evidence related to violations of accepted currency account regulations and securities utilization by Ukrainian subjects of business activity outside Ukraine.

7. The Cabinet of Ministers of Ukraine should submit, within a week's term, a draft law of Ukraine on tightening liability for concealment and illegal utilization of currency proceeds by Ukrainian subjects of business activity.

8. In case of compliance with the demands specified in part by Article 1 and Article 3 of this Decree, subjects of business activity are not liable to sanctions, which are provided for by active legislation, and their managers (officers) are not liable to criminal and other kinds of liabilities.

Personal responsibility for this Decree's observance should be borne by senior ministerial and departmental officers and all subjects of business activity, irrespective of their proprietorial form.

[Signed] L. Kravchuk, president of Ukraine; Kiev city; June 18, 1994

Crimea Rules Out Militia Transfer to Internal Ministry

LD0607190194 Moscow NTV in Russian 1800 GMT 6 Jul 94

[Text] The Crimean Parliament today adopted a resolution that may cause a further worsening of relations with the Ukrainian central authorities. The parliament has deemed invalid the transfer of the Crimea militia to the jurisdiction of the Ukraine Internal Affairs Ministry. Local militiamen have been instructed to carry out only the instructions of the Crimean authorities.

Parliament Not To Consider Halting Removal of Warheads

AU0607151694 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 5 Jul 94 p 1

[Unattributed report: "Ukraine Will Not Stop the Withdrawal of Nuclear Weapons"]

[Text] On Friday [1 July], Ukraine's Supreme Council decided not to discuss the question of temporarily suspending the withdrawal of nuclear warheads to Russia, which had been put on the agenda by people's deputy Oleh Vitovych [Ukrainian Nationalist Assembly].

According to Adam Chikal, deputy chairman of the Standing Commission for Issues of Defense and State Security, Ukraine has so far removed 36 percent of the warheads, and Russia has made a commitment to supply 25 tonnes of fuel elements for [Ukrainian] nuclear power stations. Adam Chikal also stressed that the commission had thoroughly studied this question at its session and believes that Oleh Vitovych's assertions do not correspond to reality.

Ukraine's Supreme Council Chairman Oleksandr Moroz supported the proposal not to discuss the question and emphasized that it might unnecessarily alarm the world community.

Kravchuk Says Army Requires 'Fundamental Reform'

LD0607225294 Moscow INTERFAX in English 2226 GMT 6 Jul 94

[Text] The Ukrainian President Leonid Kravchuk believes that his country's armed forces require fundamental reform and that a future Ukrainian Army must be a professional one.

As he met with the leaders of Ukrainian Army in Kiev on Wednesday, President Kravchuk said that a program had been drawn up for the social protection of Army servicemen, including higher pay, accommodation and grants.

President Kravchuk said that joint activities by the Ukrainian and Russian armies were not ruled out. He said it was most important to ensure that Russia know it has before it a Ukrainian Army, and not an appendix of its own armed forces.

President Leonid Kravchuk noted the fact that there should be greater coordination and participation in joint exercises, including those of NATO.

About the future of the Ukrainian military-industrial [as received] President Kravchuk said that his main support would be for industries working for the armed forces of Ukraine at a modern technological level.

At the same time he believes that part of the military facilities have to be sold, because they have lost contact with Russian defense plants.

Experts See Chernobyl as Key in Upgrading Nuclear Security

WS0707091494 Kiev KIYEVSKIYE VEDOMOSTI in Russian 29 Jun 94 p 2

[Report by Vladimir Shunevich: "Due to the Chernobyl Closure, We May End Up Without Refrigerators and Other Stuff, Nuclear Power Engineers Claim"]

[Text] To satisfy its commercial interests and longing to conquer Ukraine's market, the West has selected our nuclear power industry, which disgraced itself with the 1986 Chernobyl disaster, as the main focal point for political pressure on Ukraine. The excuse is quite plausible—its concern over security. The West promises money if we close the Chernobyl nuclear power plant. The sum which has currently been proposed by the West—$300 million—is ridiculous, even according to estimates by opponents of nuclear power.

Meanwhile, even now during the summer, when our antiquated thermal electric power plants are either being renovated or are saving their meager supplies of coal, fuel oil, and gas, the frequency in the energy grid is close to critical levels, below which our refrigerators, television sets, machine-tools, and other household and industrial electric equipment may explode. If this, thank God, has not yet been the case, it has only been so because the nuclear power industry and its main component—the Chernobyl nuclear power plant—are operating stably.

This issue was discussed at a meeting of the Ukrainian Supreme Council Commission for Nuclear Issues held at the Chernobyl nuclear power plant with the participation of the National Academy of Sciences leadership and directors of nuclear power plants and nuclear industry enterprises. It was noted that great work has been done with regard to the improvement of power station security, including the Chernobyl nuclear power plant. It was also noted that the "Shelter" facility (sarcophagus and the remnants of the fourth power unit encased there) is in a satisfactory condition and does not pose a threat to the environment. Currently, far more dangerous, in the opinion of nuclear power engineers, are materials stored outside the Chernobyl station boundaries, within the exclusion zone.

In the course of a news conference held after the meeting, certain foreign journalists, who had seen the Chernobyl nuclear power plant as a wounded animal or monster, now have an image of a recovering man who still needs help. After all, the plant was not guilty that the misery happened. As long as talk about alternative energy sources remains just that, talk, the Chernobyl plant should work for Ukraine's independence, the participants in the meeting believe. In their opinion, however, the lack of legislation defining the use of nuclear energy—which is still being formulated—shortages of money caused by consumers' indebtedness, and exorbitant tariffs on electricity—which cause great losses to producers—serve as factors deterring further improvement of nuclear power plants' security and their successful preparation for the upcoming winter.

Belarus

U.S. Defense Official Cited on Disarmament Aid

WS0707100294 Minsk Radio Minsk Network in Belarusian 0700 GMT 7 Jul 94

[Text] Around $7 million has been allotted to Belarus under the Nunn-Lugar program in the United States, which envisions the dismantlement of nuclear and other types of weapons in republics of the former Soviet Union. Scott [name indistinct], representative of the U.S. Nuclear Defense Agency, has recently visited Minsk. In the course of negotiations, the sides discussed issues concerning the reduction of conventional weapons, utilization of rocket fuel, and financial assistance to Belarus. The United States plans to assist Belarus in training specialists in the area of nuclear arms utilization and preparing them for servicing equipment, which is to arrive from the United States.

Will anything change in relations between the two countries after the presidential elections? Responding to this question by a RID correspondent, the U.S. delegation head said that regardless of who is elected and becomes president of Belarus, the Nunn-Lugar program will be implemented.

Defense Minister Denounces Lukashenka Charges

WS0607130694 Minsk BELAPAN in Belarusian 1100 GMT 6 Jul 94

[Text] Defense Minister General Colonel Pavel Kazlowski has addressed the Supreme Soviet with an appeal "On gross violation of the laws and norms of people's deputy ethics by People's Deputy A.R. Lukashenka." The appeal, in particular, states: "For quite a long time, Alyaksandr Lukashenka has been disseminating slanderous fabrications which defame me as a Belarusian citizen and the minister of defense." As examples of these "fabrications," the appeal cites Lukashenka's statements in the media concerning the defense minister's alleged links with corrupt circles.

In addition, Gavel Kazlowski addressed General Prosecutor Basil Shaladonaw with an appeal "On the instigation of a criminal suit against A.R. Lukashenka." The appeal also touches upon the dissemination of "deliberately false" information by Lukashenka concerning Kazlowski's ties to corruption. Besides the request to instigate a criminal suit against Lukashenka, Pavel Kazlowski has asked the general prosecutor to "adopt measures to halt Lukashenka's crimes."

Speaker Ready To Assume Head of State Functions

LD0607121394 Moscow Radio Moscow World Service in English 1100 GMT 6 Jul 94

[Excerpt] If the president of Belorussia [Belarus] is not elected in the second round of elections on Sunday this week, the functions of the head of state will be automatically passed over to the speaker of parliament. This has been announced at a news conference in Minsk by the speaker of parliament Mechyslaw Hryb. He also said that a special session of parliament will be convened regardless of the results of the run-off elections. [passage omitted]

Government Adopts Plan To Step Up Security Measures

WS0607115794 Minsk Radio Minsk Network in Belarusian 0800 GMT 6 Jul 94

[Text] The Belarusian Council of Ministers has approved a plan for immediate special measures to combat crime and strengthen law and order. In particular, the plan envisions the putting of personnel of the Interior Ministry bodies and troops on heightened alert for service in cities and rayons to conduct special operations. The number of mixed patrols of militiamen and servicemen will be increased in cities where Defense Ministry military units are deployed. Protection of citizens' security and public order will be strengthened at airports and railway stations. Special attention will be paid to patrols on [word indistinct] and food markets, currency and precious metal exchange points, commercial stores, and other trade facilities. Beginning 1 August, trade at privately owned sites not equipped with cash registers will be prohibited.

Government Prepared To Increase Foreign Debt

LD0507181994 Moscow ITAR-TASS World Service in Russian 0956 GMT 5 Jul 94

[Report by BELINFORM-TASS correspondent Mikhail Zhuravovich]

[Text] Minsk, 5 Jul—The sum total of the credits attracted to Belorussia [Belarus] this year can grow from $1.2 billion U.S. dollars to 2 billion by way of the expected flow through credit lines of Germany and the International and European banks for Reconstruction and Development and the implementation of the signed credit agreements with Kuwait and Spain, as well as an accord attained with Russia, and may account for 30 percent of the gross national product.

As a BELINFORM correspondent was told at the republican Ministry of Foreign Economic Relations, such a sum of Belarus' foreign debt fully agrees with the criteria by which the World Bank determines a country's currency security. According to its methods, this debt can reach even 50 percent of a state's gross national product. Thus, Belarus has not yet exhausted its potential. Taking into account the fact that about 80 percent of foreign credits account for projects paid for in currency by the borrower, there are no particular causes to worry. After all, all these funds promote the country's economic development, strengthen its export potential, and help to solve social and other problems.

Moldova

Dniester Leader Smirnov Interviewed

PM0507114794 Moscow ROSSIYSKIYE VESTI in Russian 5 Jul 94 p 3

[Interview with Dniester President Igor Smirnov by Gennadiy Sobolev, under the "Opinion" rubric, place and date not given: "A Cloudless Sky Over the Dniester. But on Both Banks Political Passions are Still Seething"]

[Text] The recent talks between government delegations from Kishinev [Chisinau] and Tiraspol, the explosion in the apartment of Prosecutor Boris Luchik, the accusations which the 14th Army staff and command have heaped on the leadership of the Dniester region, and the solemn mourning on the second anniversary of the bloody events in Bendery. All these things demonstrate that political passions on the Left Bank have not died down. The region, where the strategic interests of several great powers intersect, is again at the center of public attention. Experts from various countries give differing assessments of what is going on there. Today Dniester [Pridnestriya] President Igor Smirnov, who took part in the international conference in Moscow recently on cooperation in keeping the peace in the conflict regions on CIS territory, now gives his view in conversation with your ROSSIYSKIYE VESTI correspondent:

[Smirnov] The question of whether Russia will be able to obtain an international mandate for the peacemaking operations was the main issue at the conference and it is particularly important for us. The Dniester region was where Russia first performed its peacemaking mission, and it did so successfully, furthermore. The Russian peacemakers have a high standing because Russia has always been a unifying factor. In our region the population is 40 percent Moldovan, 26 percent Russian, and 23 percent Ukrainian, and we are convinced that no other "blue helmets" apart from the Russians could have worked here. Furthermore, Western experts are wrong when they believe that standard methods appropriate to countries such as Zimbabwe could be used with regard to events in the former USSR.

The experience of the Dniester region, Georgia, South Ossetia, and Abkhazia has shown that all the sides must take part in the peacemaking process. The financial cost of such a process is high, of course, and Russia alone can hardly afford to foot the bill. But if the CIS countries jointly create a common fund and accumulate the necessary resources I think that these countries could manage without peacemaking forces from the outside world.

At the conference I had to explain once again that the armed conflict on the banks of the Dniester was not interethnic and that to regard our government as a "procommunist regime" was naive to say the least. It seems that not everyone understood me but trying to convince the prejudiced is an almost futile pursuit....

Now I want to talk about the situation on the Left Bank. Crime has tried to rear its head—that was partly due to the consequences of the war and to geography, because Tiraspol is situated between Odessa and Kishinev. It was necessary to broaden the powers of the law-enforcement organs—we were ahead of Moscow on that—but on the other hand the entry and exit registration regime that we introduced was based on Moscow's experience. As a result, crime has fallen fivefold in four months compared with the same period last year.

Thus, the talk about an "orgy of banditry in Tiraspol" comes solely from our opponents, and such people do exist. They include those businessmen who are indifferent to the fate of the people and are only concerned with lining their own pockets. They include those passive people, such as former party functionaries, who have done and are doing nothing to help the Republic. They include the supporters of the idea of "Romanianization.-" Then there are those criminals whose lives are becoming increasingly uncomfortable.... Generally speaking there is no shortage of ill-wishers.

There are many problems, too. There must be changes to the personnel of the law enforcement organs. In addition, the small subunits of the 14th Army remaining on the Left Bank are proving an enticement to some of our military and staffers of the Interior Ministry. The conditions of service in these subunits are very attractive: One year of service counts for three, and the lowest-ranking contract riflemen earns 300,000 Russian rubles a month—a vast amount given our prices when a loaf of bread, for example, costs just R15. It is no wonder that some of our officers transfer to service with General Lebed because they want to earn more money. I do not understand it: Why is the numerical strength of the 14th Army rising if Russia is reducing its Armed Forces?

Stability in the Republic does not suit the criminal world, of course. The detonation of the remote-controlled device in the home of our prosecutor, Boris Luchik, when the prosecutor's wife and a bodyguard were killed and Luchik himself was gravely injured, is connected with that. Yes, there is nothing especially difficult about killing any of us, although the criminals' main aim, clearly, was to create a political effect. That is why provocation, terror, and slander are being used.

Recently, we and the Moldovan leaders signed a number of documents on cooperation, including economic cooperation. The agreements are important both for economic affairs and for healing the rift that appeared between the inhabitants of the opposite banks of the Dniester during the tragic events of 1992. The question of the withdrawal of the 14th Army remains, admittedly. But that withdrawal is complex: The Dniester people are intractable, they do not want to be left defenseless.... In addition, I, as an economist, can say that withdrawing hardware, equipment, and weapons to Russia is too costly and no one there needs all this anyway.

It is no secret that strenuous efforts are still being made to harm us. I now have to go to court with a Russian Army colonel, who has accused me of removing money from a foreign bank account. The colonel does not seem to be aware that I do not have the power to use those accounts and I am not doing so. On the other hand, among the ignorant people this colonel now has the reputation of being a "fighter" and his statements are being widely repeated in Russia. Although that "fighter" is also living at Russia's expense, not our republic's, so he is not sharing our people's problems but is very willing to give advice....

Our people have experienced so many problems and seen so many acts of treachery that they are not easily deceived. Two years ago we were subjected to a propaganda attack alleging a "corrupt government" and an "orgy of crime." In addition, our people know that a few 14th Army officers who are hostile to us does not mean that the same goes for the whole of Russia, and we are working perfectly normally with many Russian organizations in Moscow and the regions.

Nevertheless, we understand that unless we defend ourselves no one else is going to do it for us. All these years people have been talking about the right to life and the struggle against genocide. We are not entering into historical disputes about who owned this land in the past, but we are sure that everyone is entitled to live where they want. And if we had not waged this struggle Russia would have had to cope with tens of thousands of refugees more.

We were the first to introduce state multilingualism in the republic, and the Dniester region was among the first to set its sights on the Eastern market, not the West. It is not a question of political partiality but of economic reality and objective necessity. So how were we wrong here?

I would add that the 14th Army remains a guarantee of stability because the majority of its servicemen are indigenous inhabitants here. They will not be able to separate themselves from our soil. So is there any need to argue about the Russian military bases in Moldova, let the 14th Army remain where it is, we support that!

To be fair, I must scotch certain myths about the army of liberation. Our militiamen fought during the tragic events in Bendery! They received help from just a few Russian officers—by night they fought for us, by day they served in the 14th Army. That is how things were, and it has not been forgotten two years on.

Now I would like to talk about the economy. We still have not managed to bring from Moscow to the Dniester Region the money coupons which have been produced for the Republic—we need them because there is a very great shortage of cash here. We had to get out of a difficult situation by overprinting special marks on the old coupons. We took the "coupon case" to the Court of Arbitration and won but nothing happened: We are persistently being pushed into the "leu zone" but we want to stay in the ruble zone. As is well known, however, resistance is only effective in the short term, and political blackmail will not work again. Economically, at least, our life is at least as good as Moldova, and I believe that it will remain that way.

But the pressure from Moldova goes on and we should not think that the election of a new parliament will bring to power in Kishinev people who are exclusively well disposed toward us. Incidentally, Moldova is now strenuously seeking credits in the West and has an enormous foreign debt, whereas we have no such debt. For some reasons the supporters of the idea of the unification of the Moldovan and Dniester economies forget that in market relations it is senseless to try to centralize management!

Our people are small in number but will not let anyone order them about. We are ready to cooperate with everyone, but only on a treaty basis. We very much hope that Ukraine and Russia will find a common language, but for the time being we will support our independence. Hence, the idea of contacts with other unrecognized republics, an idea which has produced a turbulent reaction in some capitals. The question of whom to cooperate with is our internal affair, but I must note that the contacts I have mentioned are not directed against other CIS countries either politically or economically. We also have treaties with the Russian regions and they are not harming anyone either.

Of course there are those who want to disunite us in order to pick us off one by one; but we simply cannot allow that to happen. The people elected us by universal suffrage and we must justify their trust. So whether people like it or not, the republic lives on and, I am sure, will continue to live on.

Kazakhstan

Nazarbayev Views Central Asian Summit as Integration Stage

LD0607161094 Moscow INTERFAX in English 1327 GMT 6 Jul 94

[Text] The meeting in Almaty on 8 July between the presidents of three Central Asian republics of the former Soviet Union, Uzbekistan, Kyrgyzstan and Kazakhstan, should be seen as "the continuation of my integration ideas," INTERFAX was told Wednesday [6 July] by Kazakhstan's President Nursultan Nazarbayev.

The president said that at the previous summit the leaders agreed to remove customs barriers and open the way for free trade between the three countries. At the summit in Almaty it is planned to discuss the opening of an Asian Bank. "We also invite Turkmenistan to take part," said Nazarbayev.

He believes Kazakhstan today would like to be a small link in the "common chain of good intentions in the sphere of integration."

Tajikistan

U.S. Finances Repatriation of Refugees

LD0707083494 Moscow ITAR-TASS in English 0750 GMT 7 Jul 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe 7 July TASS—The U.S. Government has decided to assign $2,854,000 to expedite the repatriation of Tajik refugees from Afghanistan, Zafar Saydov, a departmental chief at the Tajikistan Foreign Ministry, told ITAR-TASS on Thursday referring to information from the U.S. Embassy in Dushanbe.

The Tajik Foreign Ministry spokesman emphasised that the entire amount would be placed at the disposal of the office of the U.N. high commissioner for refugees. UNHCR missions have opened in Dushanbe and at Tajik refugee camps on Afghanistan's territory.

According to U.N. data, there are more than 20,000 officially registered refugees in Afghanistan. Out of them, 1,500 Tajiks from Sahi camp, located in an area which borders on Tajikistan, opted to return home. In the coming days they will be brought to Tajikistan via a checkpoint in the Uzbek city of Termez, Saydov said.

Peacekeeping Commander Sees Situation Deteriorating

LD0607145994 Moscow INTERFAX in English 1040 GMT 6 Jul 94

[Text] The social and political situation in Tajikistan has not improved during the last month, chief of the headquarter of the joint peacekeeping forces in Tajikistan, Colonel-General Grigoriy Bessmertny told INTERFAX today.

"On the contrary, the situation is likely to deteriorate," he added.

The second round of the inter-Tajik talks in Tehran in June produced no positive impact on this process, Bessmertny said.

He said he believed that the situation on the Tajik-Afghan state border was aggravating. More and more illegal units of the opposition militants from Afghanistan and Tajikistan are breaking through the border and attacking the border defense posts where the peacekeeping forces are defending the border. However, no casualties among border guards and peacekeepers have been reported. Bessmertny said that militants, smugglers and drug mafia were actively operating on the sections of the border where there were not enough Russian border guards.

Bessmertny said that militants were trying to get closer to Dushanbe and that the opposition was gaining more support in Tajikistan.

Bessmertny did not rule out that the social and political situation in Tajikistan could deteriorate before the coming session of the parliament, during the parliamentary and presidential elections. He stressed that the peacekeeping forces would not interfere with the Republic's domestic policy.

Special Tax Introduced 1 Jul by Supreme Council Decree

LD0607131094 Dushanbe Radio Tajikistan Network in Tajik 0030 GMT 6 Jul 94

[Excerpt] By decree of the Supreme Council Presidium, on 1 July a special tax was imposed on enterprises, organizations, and amalgamations, regardless of their type of ownership, amounting to three percent of the total volume of their sale of products, activities, and services.

Speaking about this, Mr. Zhiganshina, the head of a department at the State Taxation Directorate, pointed out that the introduction of the special tax was a part of the government's measures aimed at increasing the republic's income. He said that Tajikistan is not the only republic of the Commonwealth which has introduced such a tax. [passage omitted]

Armenia

Karabakh Defense Headquarters Cited on Fighting

NC0607132594 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0727 GMT 6 Jul 94

[Text] Stepanakert ("AZG", "HAYASTANI HANRAPETUTYUN" dailies), 07/06/94—The situation at the RMK [Republic of Mountainous Karabakh] fronts remains unchanged.

"ARMENPRES" reports, quoting the RMK defense army Headquarters, the Azeri units opened mortar and cannon fire in the direction of the Mardakert-Agdam in the night of July 5. Two fighters of the RMK defense army have been injured. The Karabakh side refrained from returning the fire.

The RMK military reconnaissance reports significant concentration of enemy manpower and equipment at the east of the Mardakertskiy and Agdamskiy Districts. According to some sources, two Azeri infantry units, controlled by Sardar Khamidov (former Azeri Minister of the Interior Iskender Khamidov's brother), are violating cease fire at the north of the Mardakertskiy District.

Sardar Khamidov has been assigned as the President's representative to the Terterskiy (Mirbashirskiy) District and was recently fired from the position. Still, two units under his control are regularly shelling the Armenian positions at the villages of Talish and Seysulan in the Mardakertskiy District.

Azerbaijani Attack in Northeast Repelled

NC0707132494 Yerevan SNARK in English 1052 GMT 7 Jul 94

[Text] Yerevan, July 7 (SNARK) Last night the Armenian frontier troops repelled the attack the Azeris taken at the north-eastern borders of Armenia. The Armenian Defense Department informs SNARK of the attacks started yesterday evening in the direction of the Krasnoselskiy region of Armenia. The battalion of Azeris soldiers being supported by tanks and military machines participated in the attack. The same source of information told the attackers suffered losses in man power and military hardware. The Armenian side suffers no losses.

The frontier territories between the Vazashen and Paravakar villages were fired from the territory of Azerbaijan on July 6. No victims.

Papazyan, UK Official Discuss Karabakh

NC0607200394 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 6 Jul 94

[Text] Armenian Foreign Minister Vahan Papazyan received today the Deputy Speaker of the British House of Lords, Baroness Caroline Cox, and persons accompanying her—writer Zori Balayan; Manfred Richter, a priest from the German Evangelical Church; British engineer Arthur Green; and Zhirair Kocharyan, a professor at Berlin's Free University.

In wishing Baroness Cox well on her birthday and on the occasion of her 20th visit to Nagorno-Karabakh, the foreign minister highly appraised the efforts she and the International Christian Solidarity Organization have made in defending and promoting the human rights of the Nagorno-Karabakh people, who are suffering from the military conflict.

Baroness Cox gave a comprehensive account of the results of her latest visit to the Nagorno-Karabakh conflict zone and recounted her impressions of the current situation in Nagorno-Karabakh.

At the guests' request, Papazyan touched upon steps being taken within the CSCE framework for the political resolution of the Karabakh conflict, and reiterated the Armenian authorities' readiness to constructively participate in these processes.

In reply to Baroness Cox's proposal to exchange prisoners of war as a step toward the establishment of mutual trust, Papazyan stated that the Armenian authorities have asked that the conflicting sides exchange the prisoners of war through the International Red Cross Organization on the principle of all for all. In this way this problem could be solved once and for all. However, the Azerbaijani authorities have so far not replied.

In reply to the guests' proposal to invite observer delegations to Nagorno-Karabakh and Armenia, Papazyan said that Armenia, and he is convinced Karabakh also, are open to all delegations wanting to know about the situation and interested in the speedy solution of the problem.

The meeting passed in a warm and sincere atmosphere.

Russia Grants 100-Billion Ruble Loan

NC0507211894 Yerevan SNARK in English 1507 GMT 5 Jul 94

[Text] Moscow, 5 July (SNARK)—An agreement has been signed today in Moscow on granting by Russia a state credit to Armenia for a sum of 100 billion rubles. As SNARK reporter was told by the Armenian Government spokesman, 60 billion rubles are allocated for deconservation [as received] works at Armenian [nuclear] Power Plant shut down early in 1989. Up to 10 billion rubles will be directed to building of non-industrial objects in the northern part of the republic suffered from the 1988 earthquake.

Russian credit has been granted for a term till December 1, 1994, with a condition of its repayment during 1996-99.

The agreement was signed by Vice Premiers of Armenia and Russia, Vigen Chitechyan and Aleksandr Shokhin.

Azerbaijan

Iran's Position on Armenian 'Aggression' Welcome

LD0607151494 Moscow INTERFAX in English 1040 GMT 6 Jul 94

[Text] Azerbaijan's Foreign Minister Hasan Hasanov welcomed the signing of a joint statement in Tehran by the leaders of the two states which, as he said, "resolutely condemns the use of force and aggression on the part of Armenia's armed forces against Azerbaijan." Speaking at a press conference on the results of President Heydar Aliyev's visit to Iran, he pointed out that this is the first time that such an assessment is presented in a document of such a high level.

It was announced that as many as eight documents had been signed in the course of the visit, including agreements on cooperation between the two countries in the sphere of border patrolling, science, cultural and humanitarian ties, public health and medicine, and exchange of radio and TV programs. In addition, the parties signed memorandums on cooperation in the field of power engineering, on shipments of Iranian gas to the Nakhichevan autonomous republic, and an agreement on mutual protection of investments.

Results of Aliyev Visit to Iran Assessed

NC0607135894 Baku TURAN in English 0454 GMT 6 Jul 94

[Text] Baku, July 5 (TURAN)—Azerbaijani President's visit to Iran witnesses that relations between both countries are on high level and are characterised by the atmosphere of friendship and fraternity, said at today's press-conference in Baku Gasan Gasanov, Azerbaijan's Foreign Minister.

Joint statement signed by both presidents, sharply blames Armenia's aggression. "It is the most important and principal political assessment, which is reflected in the joint statement of both presidents", noted Gasan Gasanov. According to him, Armenia's aggression against Azerbaijan is assessed on such level for the first time in joint Azeri-Iranian political document.

Minister said that 8 documents, including a memorandum on creation a joint commission on border issues, a protocol on cooperation in science, culture and humanitarian sphere, a memorandum on cooperation in the sphere of hydro and electric energy, memorandum on export of Iranian gas to Nakhichevan Autonomous Republic, an agreement on cooperation in public health and medicine, an agreement on exchange of programs between Azerbaijani and Iranian TV and radio companies and an agreement on mutual protection of investments were signed during this visit.

Concerning a joint construction of Khudaferin hydropower station on the border river Aras in the occupied now Dzhebrailskiy Region, Gasanov noted that for the implementation of this project within the memorandum on the energetic cooperation, it was necessary to solve two problems—to overestimate the project's cost price, the working out of which had started since 70-80 years and to create a security zone on the construction site.

Concerning the assessment by Iran Azerbaijan's joining the NATO Program "Partnership for the Sake of Peace" and CSCE's and Russia's mediatory efforts on the settlement the Armenian-Azeri conflict Gasanov said that "Negotiations were held in the atmosphere of mutual respect of principles of both parties. There were not any impact of positions and foreign political priorities. Both sides respect foreign political priorities of each other".

Gasanov noted that Azerbaijan cooperates with Western countries and USA towards which Iran has a definite position. But peculiarity of this position of Azerbaijan did not influenced Tehran's policy in its relation to Azerbaijan.

"Status of the Caspian Sea was also discussed during bilateral talks", said Minister. He said that the joint statement of the presidents reads the necessity of strengthening the relations and activization of cooperation between states of the Caspian Sea.

Azerbaijan and Iran agreed in principal on joint activity in the Caspian basin, concrete form of cooperation will be discussed later. "Issues concerning Iran's approaches to Russia and status of the Caspian Sea were not included in the agenda and were not discussed, so I can say nothing in this respect", said Gasanov.

Ministry Denounces Killing of Turkish Diplomat

NC0607194594 Baku TURAN in English 1851 GMT 6 Jul 94

[Text] Baku, July 6 (TURAN)—Azerbaijan Foreign Ministry gave a protest concerning the murder of Omer Sipahioglu, Turkish diplomat killed in Athens on July 4, 1994 in [an] act of terrorism.

Expressing a protest against this act Azerbaijan Foreign Ministry considers that creating a volatile situation in intergovernmental relations this act is a criminal against whole international society. The statement reads that "Azerbaijan was a witness of acts of terrorism against peaceful population of Baku in March and June 1994 and will always fight with such groups and calls world society to that."

Azerbaijan Foreign Ministry "resolutely blames all acts of terrorism committed in different parts of the world and considers it necessary to punish and eliminate such terroristic groups."

Georgia

Official Inspects Peacekeeping Force in Abkhazia

LD0607155194 Moscow ITAR-TASS in English 1322 GMT 6 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Sukhumi July 6 TASS—Russian Deputy Defence Minister Colonel-General Georgiy Kondratyev arrived in Sukhumi on Wednesday to inspect Russian peacekeeping troops deployed in the region ten days ago.

Kondratyev plans to study the situation in the Kodor Gorge, the scene of unceasing clashes between Georgian and Abkhazian forces, and work our proposals on ceasefire. He said Russian Defence Minister Pavel Grachev may visit the region within the next few days, but did not name the exact date.

Speaking about the problem of refugees, Kondratyev said that it must be handled by politicians. "This is the main problem to be solved by the leaders of Georgia and Abkhazia," he added.

Kondratyev noted that during his meetings with local leaders he insisted on the return of refugees in June. However, the deadline will now be moved up till mid-July.

He pointed out that the Ministry of Defence and the Ministry of Emergency Situations have appealed to the government to allocate three billion roubles in humanitarian aid to the local population, including to buy building materials, food and medicines.

Kondratyev did not exclude the possibility that CIS observers from Uzbekistan, Byelorussia [Belarus] and Kazakhstan may be deployed in the region at the end of the month. However, the final decision on the issue will be adopted by the CIS defence ministers at their meeting in Moscow on july 18, he said.

Russian Troops Begin Moving Into Kodor Gorge

LD0707110494 Moscow ITAR-TASS in English 1054 GMT 7 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Sukhumi July 7 TASS—A reconnaissance detachment of Russian peace-keepers, including U.N. observers, has moved in armoured carriers to the Kodor Gorge on Thursday morning. The detachment was instructed to monitor the area where skirmishes and armed provocations have recently occurred.

"Russian troops are ready to take the Kodor Gorge under control, but we must know exactly which side violates a ceasefire agreement reached by Georgia and Abkhazia in Moscow on May 14," said Deputy Russian Defence Minister, Colonel-General Georgiy Kondratyev, who arrived in the region on Thursday afternoon. On Friday, he intends to visit the Kodor Gorge himself to meet commanders of local self-defence forces. "Only afterwards, concrete steps might be taken to bring military operations there to a halt," the general said.

Asked by ITAR-TASS about the refugee problem, the general disapproved of attempts to build up tension in Abkhazia, including in the mass media, in order to prevent the return of refugees on the grounds that "there is no room for them in the republic." "This is an extremely dangerous and wrong position, assumed by the leadership of the republic as well, the general said. "During the conflict around 300,000 fled their native places. We cannot regard them all as criminals. What have the elderly people, children and women, who have never been to the war, to do with this? Neither it is the fault of young people who were forced to go to the front." The general is convinced that only criminals responsible for the bloodshed should be brought to trial.

Kondratyev sees a link between this tough policy and a personal position assumed by the Abkhazian Parliamentary Speaker Vladislav Ardzinba. The Russian general even described Ardzinba's position as being on a dangerous line. "People driven to despair, will begin to return by thousands. And no one can detain them," Kondratyev believes. "Russian soldiers deployed on the demarcation line will not fire at them. I have given this order," he said.

The general reminded of the fact that another stage of quadripartite talks on the refugee problem begins in Sochi on Thursday. Kondratyev said that he would attend the talks, however, he believes that this problem should be resolved by top leaders of the warring sides, perhaps, with the mediation of the Russian president.

UN Envoy Meets Abkhaz Officials

NC0607190994 Yerevan SNARK in English 1546 GMT 6 Jul 94

[Text] Sukhumi, 6 July (SNARK)—Today a meeting between the UN Secretary General's personal envoy, Edouard Brunner, and the Abkhazian Supreme Council chairman Vladislav Ardzinba, and Prime Minister Sokrat Dzhindzholia, took place in Novy Afon.

Settlement of relations between Abkhazia and Georgia, as well as possible versions of the next-day four-lateral negotiations in Sochi on status of Abkhazia were discussed during talks.

Abkhazia To Call For Secession From Georgia

LD0707063994 Moscow ITAR-TASS in English 0631 GMT 7 Jul 94

[By ITAR-TASS correspondent]

[Text] Moscow July 7 TASS—At a regular round of Georgian-Abkhazian talks on a political status of Abkhazia, which is to begin in Sochi on Thursday, the

Abkhazian side intends to come out in favour of good-neighbourly relations with Georgia but not within a single state, according to informed sources.

The talks are also expected to involve a Russian representative—Deputy Foreign Minister Boris Pastukhov—and Edward Brunner, special envoy of the U.N. secretary-general.

It must be recalled that during the previous round of talks, which dealt with the political and legal aspects of a settlement of the Georgian-Abkhazian conflict, U.N. and Russian representatives suggested a solution option according to which Abkhazia would be declared a republic with sovereign rights, its own constitution, legislation, state symbols but which would be part of a single state which will be formed within the boundaries of the former Georgian Soviet socialist republic after contentious issues are settled.

Meanwhile Russian peacekeeping units bring under their control the area of disengagement of Georgian and Abkhazian forces. Russian Deputy Defence Minister Georgiy Kondratyev is currently in the area. On Wednesday [6 July] he visited Gali where units of the northern control zone are deployed. The deputy minister believes that the maximum safety of Russian peacekeeprs has been assured.

The deputy minister pointed out that disengagement missions have been accomplished and a 24-kilometre security zone has been cleared of armed groups.

Talks Delegation To Oppose Confederate System

NC0607192494 Yerevan SNARK in English 1443 GMT 6 Jul 94

[Text] Tbilisi, 6 July (SNARK)—"Our delegation at the forthcoming talks in Sochi, on status of Abkhazia, will categorically oppose the idea of confederative set up of Georgia", told in the interview to SNARK reporter the principal adviser of Georgian head of state on international-law issues, Professor Levan Aleksidze.

In his opinion, "Georgia may agree only with the option of federative system having a broad decentralization".

Russia conducts today a more realistic policy and is able to show the world, by an example of Abkhazia, how can such a conflict be settled, thinks Mr. Aleksidze.

Georgian head adviser also emphasized that Abkhazia violates the May 14 Agreement by opposing the presence of Georgian observers on its territory.

Talks on Abkhazia Begin in Sochi

LD0707082794 Moscow ITAR-TASS in English 0812 GMT 7 Jul 94

[By ITAR-TASS correspondent Irina Shchogoleva]

[Text] Sochi July 7 TASS—Abkhazia's status, the refugee issue, and the withdrawal of Georgian and Abkhazian forces from the confrontation area are on the agenda of a regular round of Georgian-Abkhazian talks that began at Zhemchuzhina Hotel here on Thursday.

A Georgian delegation at the talks is headed by Dzhaba Ioseliani, chairman of the Georgian State Committee on Emergency Situations, and an Abkhazian one by Prime Minister Sokrat Dzhinzholiya.

The Russian Federation at the talks is represented by ambassadors at-large Feliks Kovalev and Yuriy Fedosov. The talks are also being attended by Edward Brunner, special envoy of the United Nations secretary-general, and by representatives from the Conference on Security and Cooperation in Europe (CSCE).

Ioseliani Urges Implementation of Previous Agreements

LD0707104094 Moscow ITAR-TASS World Service in Russian 0941 GMT 7 Jul 94

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi, 7 Jul—The stance of the Georgian side at the Sochi talks, which started today, as outlined to the ITAR-TASS correspondent by members of the Georgian delegation, is to give Abkhazia maximum rights, but within the framework of a single Georgian state. This is how the position of the Abkhaz side was put yesterday by the Ministry of Information and the Abkhazian press: in favor of goodneighborly relations with Georgia, but not within a single state. It is therefore evident that the Abkhaz side intends to seek recognition for the independence of its republic at the Sochi talks.

"Before we resolve the issue of the status of Abkhazia, we have to implement everything we agreed earlier," Jaba Ioseliani the leader of the Georgian delegation, told ITAR-TASS. In his opinion the basic tenets of earlier Georgian-Abkhaz agreements up until now have not been implemented: there has not been a cease-fire, and the refugees are not able to return to Abkhazia.

Edward Brunner, the special envoy of the UN secretary general, noted before the start of the talks that the CIS peacekeeping forces which have been deployed in the area of the Georgian-Abkhaz conflict are an important factor for the resolution of many problems. Gennadiy Fedosov, special ambassador from the Russian Ministry of Foreign Affairs, stressed that the process of settling the Georgian-Abkhaz conflict had entered a crucial phase: conditions are gradually being created for the return of the refugees and members of the UN mission are in possession of full information on the situation in the conflict zone.

The talks continue tomorrow. Representatives of the command of the CIS peacekeeping forces are expected to attend.